



## EUROPEAN NEWS DIGEST

**Bouygues chief investigated**

Mr Martin Bouygues, chairman of the big family French construction company that bears his name, was yesterday put under formal investigation for possible abuse of corporate funds.

The move follows his questioning this week by a Lyons magistrate over allegations that Bouygues may have funnelled money via Swiss bank accounts held by Mr Pierre Botton, a Lyons businessman, also under investigation, who is the son-in-law of Mr Michel Noir, the former mayor of Lyons.

Bouygues declined to comment on the move, the latest of a series of judicial probes of Bouygues's operations.

Judge Philippe Courroye yesterday allowed Mr Bouygues to go free during the investigation which may or may not result in formal charges being brought against the businessman. According to an Agence France Presse analysis, of the 23 captains of French industry investigated since 1993 on possible corruption charges, 13 have resigned but the rest are still at their posts.

In an unconnected inquiry, a magistrate placed Mr Bouygues's elder brother, Nicolas, under formal investigation on suspicion of fraud and falsifying invoices. Nicolas Bouygues heads a separate housing company.

David Buchan, Paris

**Madrid cuts benchmark rate**

The Bank of Spain yesterday cut its benchmark rate for the first time this year, pegging its official intervention back by a quarter point from 9.25 per cent to 9 per cent, but governor Mr Luis Angel Rojo warned that continued uncertainty over prices and fiscal policies made further relaxation unlikely in the mid-term.

The cut, at the regular repurchase tender for bank certificates, had been widely anticipated; the bank reduced its daily money market intervention rate by a quarter point to 9.05 per cent last week.

In January, the bank raised its benchmark rate from 7.35 per cent to 8 per cent, pushed it up to 8.5 per cent in March and in June, following a new inflationary spurt, it raised it to 9.25 per cent.

The easing of the rate was in part driven by cuts by the Bundesbank and other central banks and in part by GDP figures which showed that year-on-year growth at 2.9 per cent in the third quarter, slightly weaker than expected. The bank expects year-on-year inflation, which peaked at 5.1 per cent in June and stood at 4.3 per cent last month, to fall below 4 per cent early next year.

Mr Rojo said there were still "difficulties" hindering a sustained reduction in inflation and there was still a "considerable" way to go to achieve a stable inflation rate below 3 per cent, as envisaged in the Maastricht criteria for European monetary union.

Tom Burns, Madrid

**Moldovans embrace sell-off plan**

At least 90 per cent of Moldovans took part in the voucher privatisation programme that ended on November 30, according to preliminary government data yesterday. Officials had said they would be content if 75 to 80 per cent of the 3.5m people issued with free vouchers used them to take up shares in former state enterprises.

Moldova's private sector accounts for some 60 per cent of the economy after 2,223 companies, large and small, were privatised, officials say. Seventy per cent of voucher holders preferred to take up shares in one or more of 53 funds and trusts invested in privatised stock, rather than buy company shares directly.

Privatisations for cash are still going on and are expected to yield 100m leu (\$22.3m) to the state budget next year. The list of 39 large companies to be privatised includes defence plants, a television studio, a pharmaceutical company and several hotels. Foreign investors can participate.

Reuter, Chisinau

**Russia to modernise refineries**

Russia has approved a programme to modernise its oil refineries, but will not give credits to flagging enterprises and could even consider closure for some, a Fuel and Energy Ministry official said.

Mr Vitaly Sherikov, head of the ministry's refining department, said: "Refineries must present business plans if they want help under the programme, and must be ready to return the money. If an enterprise is not profitable, then naturally there always stands the question of whether it should be closed." The programme does not specify the sum or sources of money to be made available to Russia's 23 refineries, but targets both state and private sector funds.

"If a company presents a project that is interesting and profitable for investors, banks or foreigners, then there are no limits. We would welcome foreign help in this," Mr Sherikov said.

Reuter, Moscow

**IMF praises Lithuania for bank action**

By Chrystia Freeland in Moscow

Lithuanian authorities yesterday declared the country's second largest bank insolvent, as the International Monetary Fund praised the government for its swift efforts to avert a broader crisis in the economy.

Central bank regulators froze the accounts at Litimpeks Bank and sacked its management. Earlier in the week police had arrested two of

Litimpeks' top bankers on charges of fraud.

At the same time, authorities boosted their powers to prevent a wider crisis in the banking sector when parliament passed a bill permitting the government to guarantee interbank loans of up to 300m litas (765m).

The drama began on Wednesday, when central bank regulators declared Innovation Bank, Lithuania's largest bank, insolvent. The next day a 12-hour stake-out by anti-ter-

rorist police ended with the arrest of the bank's chairman, who is also accused of fraud. Innovation and Litimpeks had planned to merge, which would have created a bank accounting for more than a fifth of the nation's financial sector.

IMF officials rewarded the Lithuanian government for its tough moves by agreeing to disburse a \$10m tranche of a \$135m loan granted last year. International Monetary Fund economists said they were impressed by the Lithuanian

regulators' swift suspension of the banks, which they said would help avert a wider crisis in the economy.

But officials at the suspended banks and business leaders complained that the government's actions threatened to paralyse the Baltic state's nascent market economy.

Mr Roman Ramanauksas, deputy president of Innovation Bank, told a news conference that the government moves jeopardised the statehood of

newly independent Lithuania because they would destroy the country's largest bank.

"The bank is ruined, its foundations have been destroyed and I do not know what more could have been done to help it," Mr Ramanauksas said.

Business leaders warned that the crisis could produce damaging ripples in the rest of the economy.

Mr Gediminas Kiesus, manager of the Maisika oil refinery, a client of Innovation Bank, warned that the freezing

of accounts at the bank could result in the refinery having to close.

"The whole system of setting accounts has been disrupted," Mr Kiesus told the Baltic News Agency. The refinery had been unable to make routine payments to its fuel suppliers.

However, Mr Adolfas Slezavicius, the prime minister, has promised that companies whose assets have been frozen would be compensated by the government.

**Move on Polish PM's probe**

By Christopher Bobinak in Warsaw

Poland's chief military prosecutor yesterday asked for further evidence to enable him to decide whether to begin a formal investigation into allegations that Mr Józef Olekś, the prime minister, had spied for Russia.

General Ryszard Michałowski said that the documents provided by Mr Andrzej Miličanowski, Poland's outgoing interior minister, who made the charge in parliament on Thursday, had "inferred certain aspects" and needed to be supplemented before a decision on "such an important case" could be made.

The request was the latest development in a crisis which erupted three days ago when Mr Miličanowski, a former Solidarity activist, handed evidence to the military prosecutor that Mr Olekś, a former communist, had allegedly passed documents to "agents of a foreign power" between 1980 and this year.

Mr Miličanowski acted with the support of President Lech Wałęsa, who relinquished his post at midnight last night at the end of a five-year term and returned to his home town of Gdańsk.

Mr Vyacheslav Trubnikov, the first deputy head of the Russian foreign intelligence service (SVR), yesterday again denied that Mr Olekś had been an SVR agent.

However, he praised the Polish colleagues he had worked with in the communist years as having been "excellent professionals and extremely efficient".

Ironically, this accolade would include Mr Marian Zacharski, who was promoted two days ago by Mr Miličanowski for his role in the investigation against Mr Olekś.

Mr Zacharski, a senior Polish intelligence official, was in the 1980s sentenced to 25 years by the US authorities for his part in obtaining the "Patriot" missile technology for the Warsaw Pact.

He was later exchanged for US agents.

Meanwhile parliament yesterday set up an all-party special commission to examine the role of Poland's secret services in the case before agreeing the procedures for the swearing-in ceremony today of Mr Aleksander Kwasniewski, a former communist who won the country's presidential election by a narrow majority last month. Mr Wałęsa will not be attending the inaugural ceremony.

The procedural debate gave the parliamentary opposition a chance to return to the attack against Mr Kwasniewski for not telling the truth about his educational qualifications in the presidential campaign and failing to declare his wife's shareholdings in an annual declaration MPs make under the country's anti-corruption laws.

The trees will be collected in January and stored until March, when the snow has melted in mountainous regions of eastern France where the trees will be replanted.

People will be able to take trees for replanting for a small fee as long as they guarantee that a tree will have a safe home in the garden and will not end up in the grate.

Parisians who bought potted trees elsewhere will be able to deposit them with the association for replanting.

**Russian hardliner takes swipe at PM**

By Chrystia Freeland

Mr Victor Chernomyrdin, Russian prime minister, came in for oblique criticism yesterday from the leading hardliner in his cabinet, as additional returns from Sunday's parliamentary elections confirmed a victory for communists and a poor showing for the party led by the premier.

Mr Oleg Soskovets, one of the premier's most bitter rivals and viewed as his possible successor, said the election campaign of Our Home is Russia, the pro-government party founded by Mr Chernomyrdin, had been "weak". With six months to go before a presidential contest, the government must learn from the mistakes made by the party this autumn, he said.

The veiled attack on the premier is the clearest sign yet that the lacklustre performance of Our Home is Russia, which won less than 10 per cent of the vote, could provoke a Kremlin battle between camps led by Mr Chernomyrdin and hardliners grouped around Mr Soskovets.

Earlier in the week Mr Yuri Luzhkov, the influential mayor of Moscow and a long-standing opponent of the government's privatisation programme, warned the Kremlin that the election results showed it had lost the support of the people.

"The Russian leadership must apologise before the people and begin to correct its mistakes," Mr Luzhkov said.

Officials said the two leaders would discuss economic crime and crimes committed in the course of privatisation.

This week also brought further signs that the government's austere fiscal and monetary policy had pushed people

preparing to adopt some of the anti-corruption policies the communists used to great effect during the election campaign, the president yesterday met Mr Yury Skuratov, Russia's prosecutor-general.

Mr Boris Yeltsin, Russian president, has promised the elections will not lead to a change of course, but the outspoken attacks from hardliners suggest their faction has been strengthened by Sunday's vote.

In a sign that Mr Yeltsin may be

in economically depressed regions, to breaking point.

The manager of an engineering plant in Yurga, in the Siberian region of Kemerovo, threatened yesterday to go on hunger strike next week unless the government supplied his factory with more coal.

Mr Vladimir Yesaulov said his factory's generator provided heating for most of the 120,000 residents of Yurga, where sub-zero temperatures are likely to last for another two months. Coal

supplies are expected to run out in two weeks and the factory has no money to buy more.

Earlier this week riot police dispersed demonstrators in central Russia who blocked a railway for more than six hours to protest about a six-month delay in the payment of pensions and wages at the town's biggest factory.

A wave of protest from impoverished provincial towns like these gave communists and nationalists their victory in the parliamentary ballot.

**Greeks urged to buy government bonds as gifts**

By Kerin Hope in Athens

Amid the seasonal crush of toy advertisements, Greek television viewers were this week exhorted to buy the family a government bond for Christmas.

Moreover, substantial amounts of income from Greece's flourishing black economy are poured into treasury bills, which can be purchased for cash.

Promoted by a huge year-end debt-financing requirement, the finance ministry launched a campaign to persuade Greeks to spend their Christmas bonuses on treasury bills.

Analysts estimate that about Dr2,000bn (\$8.4bn) must be raised in December to roll over existing debt and cover additional borrowing needs, compared with about Dr300bn in a normal month.

Greece's public debt is expected to stabilise this year at 114 per cent of gross domestic product. Fiscal reforms have contributed to a budget surplus, which is forecast to increase steadily over the next five years, but Greece will still be unable to reduce its debt to 60 per cent of GDP by 1999 in line with the Maastricht requirements for participating in the single European currency.

Though the debt is forecast to fall next year by two percentage points of GDP, borrowing will again be high. Debt-financing costs are estimated at Dr7,000bn, equivalent to more than 80 per cent of projected budget revenues.

The finance ministry is reluctant to reverse this year's downward trend in interest rates, which fell from 17.5 per cent in January to 13.9 per cent in October on 12-month treasury bills, substantially reducing the cost of debt financing.

Treasury bills are the gov-

ernment's main source of financing for the debt. Inflation is currently 6 per cent so the real return, at around 6 per cent, is high and the income is tax-free.

Moreover, substantial amounts of income from Greece's flourishing black economy are poured into treasury bills, which can be purchased for cash.

But investors' confidence in the drachma is being undermined by political uncertainty caused by the illness of the prime minister, Mr Andreas Papandreou. The finance ministry cancelled a planned auction of treasury bills after it was rushed to hospital last month.

Instead, treasury bills were issued at interest rates unchanged from October. Not surprisingly, given the political uncertainty, demand was weak and sales fell well short of the government's Dr500bn target.

On top of this month's television advertising campaign, the finance ministry has completed a deal with commercial banks to raise extra cash. It has persuaded 30 Greek banks to buy a total of Dr150bn in bonds at 13.9 per cent by offering a rate of commission almost double the usual level.

The package on stimulating the economy consists chiefly of waiving legal restrictions and tax liability on money withdrawn before mid-1996 from a variety of employee-savings schemes and money market funds and spent on consumer goods or houses.

Mr Jean Arthuis, finance minister, said the measures would cost little in lost revenue.

The markets reacted favourably. The Paris Bourse's CAC 40 index of leading shares closed the day 2.13 per cent up, while the franc strengthened against the D-Mark to trade at FFr160 (\$32) each and those of 2 metres are FFr270 - roughly the going rate for Christmas trees.

Ms Frederique Sinclair, the founder of the association, was inspired by similar schemes in the US and by the culture of

Mr Alain Juppé, prime minister, yesterday hailed the summit as "very constructive, very positive" for stimulating growth and jobs in France's stalled economy, wrote David Buchan in Paris.

But two union federations and the Pcf, the Socialist employers' federation said the summit had been an anti-climax.

Five hours of discussion with five unions and three employer federations produced two documents. One detailed new and relatively minor government measures to encourage consumption and to boost construction, and the other - "a statement of conclusions" - pledged action on youth unemployment and on possible reductions in working time to help create jobs.

The package on stimulating the economy consists chiefly of waiving legal restrictions and tax liability on money withdrawn before mid-1996 from a variety of employee-savings schemes and money market funds and spent on consumer goods or houses.

Mr Jean Arthuis, finance minister, said the measures would cost little in lost revenue.

The markets reacted favourably. The Paris Bourse's CAC 40 index of leading shares closed the day 2.13 per cent up, while the franc strengthened against the D-Mark to trade at FFr160 (\$32) each and those of 2 metres are FFr270 - roughly the going rate for Christmas trees.

Ms Frederique Sinclair, the founder of the association, was inspired by similar schemes in the US and by the culture of

her native Netherlands, "where we recycle everything".

"We are not ecological fanatics who call for death to the tree growers," she said yesterday. "We don't want to kill those who make their living from Christmas trees. We just want to stop the waste."

After the festivities, it will collect them for no extra charge and replant them in the deforested east of the country.

Since early November it has been campaigning to promote sales of living trees and discourage people from buying cut trees with no chances of survival. Trees 1 metre tall cost FFr160 (\$32) each and those of 2 metres are FFr270 - roughly the going rate for Christmas trees.

People will be able to take trees for replanting for a small fee as long as they guarantee that a tree will have a safe home in the garden and will not end up in the grate.

Parisians who bought potted trees elsewhere will be able to deposit them with the association for replanting.

**Islamic party confident of Turkish victory**

By John Barham in Istanbul

Refah, the radical Islamic party, will take power alone in tomorrow's general election, Mr Necmettin Erbakan, the party leader, told a rally in Istanbul yesterday ahead of events of political rallies

## NEWS: INTERNATIONAL

# Japanese investors take bonuses abroad

Brokers are moving into high-yielding foreign bonds and currency deposits, writes Emiko Terazono

**D**uring Japan's asset "bubble" of the late 1980s it was stocks. When the Tokyo stock market crashed in 1990 it was bank debentures. And after the Kobe earthquake early this year it was gold. But this winter, Japanese investors are chasing higher returns abroad.

As Japanese office workers have received their winter bonuses this month, financial institutions have been boosting their sales efforts. Because of record low domestic interest rates and prospects for a weaker yen, Japanese investors are turning to high-yielding foreign bonds and foreign currency deposits, especially in

Australian dollars, US dollars and German marks.

Mrs Kyoko Aoyama, an office worker who was hit by the stock market plunge in 1990, recently bought German Bonds worth Y500,000 (\$4,900) with a 4.65 per cent coupon.

"I had been wondering what to do - I think German bonds offer better returns with relatively little risk," she says.

An estimated Y200,000 in foreign bonds were sold to retail investors during the first half of the fiscal year to September - four to five times higher than in the past few years, according to an official at Nomura Securities.

An increasing number of

people who rely on interest for income, including pensioners, have started to buy foreign bonds, according to Yamachid Securities.

"The elderly are supposed to be one of the most conservative investors segments, but low interest rates are forcing them to look for higher returns," says an official.

Securities houses say that along with the high yields, foreign bonds are highly marketable because of the simple risk structure.

"As long as you are offering paper with high credit rating, it's easy to explain to the investors that the risks involved are that of the cur-

rency and price fluctuation," says one Japanese broker. Nomura, for instance, only offers its retail clients paper of triple-A quality.

Although euroyen bonds issued by foreign borrowers were popular earlier in the year because of the lack of currency risk, the apparent bottoming out of the dollar against the yen this summer has prompted investors to turn to foreign currency denominated bonds, with Australian dollar denominated paper leading the way. The high yields attracted investors, including state and corporate borrowers to issue paper in the currency.

The surge in business has been a boom for the country's brokers, who have been suffering from lack of activity in the stock market. Foreign bonds are also more profitable. Brokers can make about 4 per cent on foreign bond sales to private investors, compared with 2.3 per cent on domestic stocks.

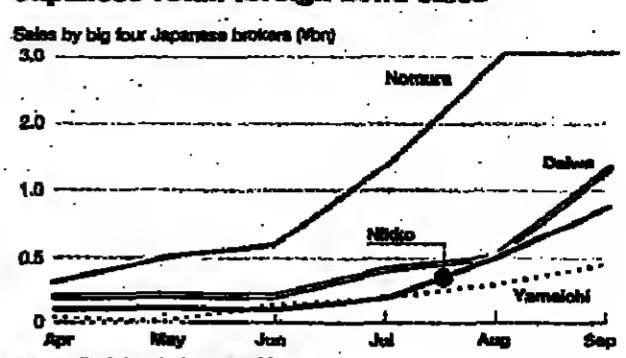
The active marketing has coincided - not unintentionally - with the maturity of big investments made five years ago, when Japanese interest rates were at a peak. According to Japanese brokers, about Y200,000 in financial products, including bank debentures, loan trust accounts and postal savings, will have matured in the second half of

this year.

Banks, meanwhile, are promoting foreign currency deposits offering higher yields. They have attracted increasing attention by promoting foreign currency deposits as one of the easiest ways for retail investors to bet on the currency market while getting high yields. The Japanese arm of Citibank, the leading US commercial bank, says the foreign currency deposits at the end of September jumped 70 per cent from a year earlier.

It is trying to lure winter bonus funds by offering extra percentage points on interest rates to those who open a foreign currency deposit

## Japanese retail foreign bond sales



Source: Nikkei News Letter on Bond & Money

account. For instance, a depositor opening a Y500,000 one-month US dollar deposit this month will have 0.25 percentage points added to the 3.8 per cent yield.

But betting on the currency is not for everyone, and some salary earners have chosen to

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

## INTERNATIONAL NEWS DIGEST

### Japanese party hit by defectors

Japan's Social Democratic party, second largest member of the three-party ruling coalition, took another step towards break-up yesterday, with the defection of five MPs. The defectors, led by Mr Banri Kaida, a junior member of the lower house, launched a new party called Citizens League, intended to be the start of a loose coalition of liberals.

Mr Kaida said they had decided to split because of the frustration of waiting for the SDP to carry out its plans to disband itself and form a new centre-left grouping. The socialists are under pressure to reform after losing the support of much of their traditional electorate among farmers and small retailers since they went into coalition last year with their rivals, the conservative Liberal Democratic party.

The defection reduces the coalition's majority in parliament from 38 to 33 seats, but this will not pose a significant immediate threat. But the move will increase pressure on the SDP to carry out its reform plans, or face further walkouts.

William Dawkins, Tokyo

### Kyrgyz president in poll test

The central Asian republic of Kyrgyzstan faces a serious test of its post-Soviet political system tomorrow when the republic holds presidential elections; the first time President Askar Akayev, who came to power in 1990, has faced a democratic challenge to his position.

Mr Akayev is regarded as one of the few successful pro-reform leaders in former Soviet Central Asia.

Since Kyrgyzstan's independence in 1991, he has pressed ahead with a reform programme back by the International Monetary Fund and has won pledges of \$800m from international donors this year. However, he has faced a growing challenge recently, particularly from Mr Abasmat Masalyev, the former

Communist leader. Mr Masalyev is running against the president in the elections, together with Mr Medetcan Sherimkulov, former parliament speaker. Local observers expect Mr Akayev to win.

The poll has prompted charges of foul play which have sullied Mr Akayev's pro-democracy reputation. Three candidates withdrew from the race last week after a court ruled they had not registered properly.

David Bratton, Bishkek

### Hong Kong banks cut rates

Hong Kong's housing and retail sector received a boost yesterday when the colony's main banks cut their prime lending interest rates by 0.5 percentage points to 8.75 per cent. The easing in borrowing costs - the first since 1992 - followed a signal earlier in the week from Hong Kong's monetary authority when it cut its discount rate to reflect this week's 0.25 point fall in US interest rates. The main banks also reduced home loan interest rates by a quarter of a percentage point.

The interest rate cut will be welcomed by Hong Kong's troubled retail sector, but is likely to come too late to rescue the sector from poor Christmas trading. The poor year for shops was underlined yesterday by the Hongkong and Shanghai Banking Corporation, which, in an end-of-year economic forecast, said it expected consumer spending to rise by only 1.5 per cent this year. In 1996 it expects spending to grow by 3.7 per cent and the economy as a whole by 3.6 per cent.

Mr Jim Wong, the bank's economist, said: "A sharp revival in consumer spending and property prices in the near term is not expected, as the downward adjustment in interest rates will be only limited and the level of unemployment is expected to remain high."

Simon Robertson, Hong Kong

### Argentine jobless level falls

Argentina's unemployment rate fell to 16.4 per cent in November - two percentage points below its record level of six months earlier. The fall was widely expected after preliminary figures released earlier this month showed unemployment in metropolitan Buenos Aires had fallen from 20.2 per cent in May to 17.4 per cent. The surge in unemployment as the Argentine economy slipped into recession and a liquidity crisis sparked by Mexico's peso devaluation a year ago has been a significant source of political pressure on the government, and especially for Mr Domingo Cavallo, the economy minister.

Matthew Domon, Buenos Aires

### Palestinian talks fail

The Palestinian Authority and the militant Hamas movement yesterday failed to reach agreement in four days of talks in Cairo, after Hamas refused to take part in Palestinian elections and end attacks on Israel. Both parties issued a joint statement several hours after their talks ended. Hamas said it would not participate in the elections of a Palestinian council but would not block them.

Reuter, Cairo

### Taiwan carrier to buy Boeings

Taiwan's China Airlines said yesterday it would buy six Boeing 737-800 aircraft and had an option to buy another nine, for a total of \$700m. The deal was part of a 10-year plan to build a fleet of 150-seat short- and medium-range aircraft, the company said.

Reuter, Taipei

# ILO plans \$80m for Palestinian jobs

By Robert Taylor, Employment Editor

The International Labour Organisation is to spend up to \$80m to help create jobs in the West Bank and Gaza Strip.

The ILO estimates the unemployment rate at up to 83.3 per cent in Gaza and up to 29.7 per cent on the West Bank.

"The employment problem is growing worse as the supply of Palestinian labour increases and demand for it declines,"

says this year's ILO report on the Palestinians. "The problem must be dealt with urgently and on a large scale lest it create social havoc and undermine prospects of lasting peace in the region."

Mr Michael Haneuse, the ILO director-general, this week launched the effort. It involves working with universities and similar bodies, persuading Israel to re-open its labour market to Palestinians, and "co-ordinating" a technical assistance pro-

gramme with the World Bank. Among the schemes the ILO intends to fund are:

- The development of an employment programme to balance supply and demand of labour.
- A plan of infrastructure development in the Gaza Strip.
- Creation of small enterprises.
- Help in establishing a department of labour and vocational training.
- The provision and training of contract workers in the Gaza Strip.

Africa with the abolition of apartheid.

Mr Haneuse is to visit Saudi Arabia and Kuwait next month to press both governments to lift the ban on Palestinian workers imposed during the Gulf war.

The ILO is planning a three-part strategy. It involves working with universities and similar bodies, persuading Israel to re-open its labour market to Palestinians, and "co-ordinating" a technical assistance pro-

gramme with the World Bank.

Among the schemes the ILO

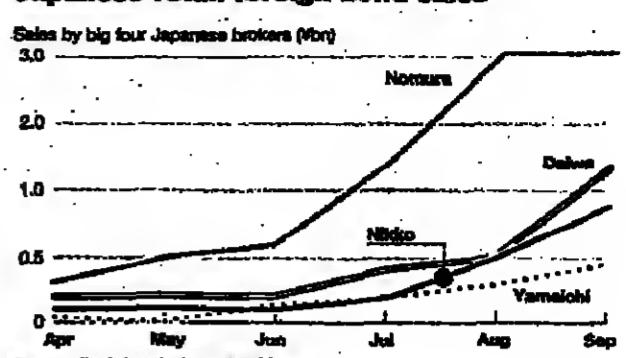
intends to fund are:

• Rehabilitation of Palestinian ex-detainees through employment counselling and job-search assistance with ILO officers working in alliance with non-governmental organisations, universities and training centres.

• A plan for the employment of disabled workers.

• Assistance in the develop-

## Japanese retail foreign bond sales



Source: Nikkei News Letter on Bond & Money

account. For instance, a depositor opening a Y500,000 one-month US dollar deposit this month will have 0.25 percentage points added to the 3.8 per cent yield.

It is trying to lure winter bonus funds by offering extra percentage points on interest rates to those who open a foreign currency deposit

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she wants to buy an imported car. "I'm thinking of buying a Volvo. They're supposed to have more safety features than Japanese cars," she says.

put their winter bonuses in a foreign product of a more reliable sort. Ms Tamaki Uchida, an office worker, says she

## NEWS: UK

# Government sends tough 'run-off' warning to Names

By Ralph Atkins,  
Insurance Correspondent

The British government yesterday issued a tough warning to hard-hit Names - the Lloyd's of London insurance market. It said control of their assets could be transferred to the government if Lloyd's sought to cut their losses by defaulting on policy claims.

The message from the Department of Trade and Industry appears intended to

rally Names - individuals whose assets have traditionally supported Lloyd's - behind the insurance market's radical recovery plan. The department

LLOYD'S

LLOYD'S OF LONDON

hints strongly that if, as some Names suggest, the insurance market stopped underwriting new business and avoided paying claims, Lloyd's would be

declared insolvent. The government would then use its powers "to ensure policyholders' valid claims were paid as fully as possible".

Its intervention comes as tension mounts ahead of the implementation, due next spring, of Lloyd's recovery plan, which is intended to secure the future of the market. Lossmaking and litigating Names have warned that a £2.5bn (\$4.3bn) out-of-court settlement offer is insufficient

Uncertainty also remains over the cost of Equitas, a reinsurance company which will take over heavy outstanding liabilities.

With Lloyd's having reported losses of more than £2bn in recent years, and Equitas is expected to cost a further £2bn, the idea that Lloyd's should go into "run-off" - stopping new business - has gained momentum.

But in a letter to Sir David Berriman, chairman of the

Association of Lloyd's Members, the Department of Trade and Industry says such a move is "liable to lead to a rapid crystallisation of claims which would increase the likelihood of the solvency requirements being breached".

In those circumstances, Lloyd's would be required to draw up a plan which restored the effective solvency of every defaulting Name. It says

the chief industry minister could require that sufficient

assets "were, at the very least, held in trust to prevent their dissipation... It would not be acceptable for Names only to provide funds when claims were due." Powers under the 1988 Insurance Companies Act would be used "where necessary to alienate Names' assets to protect the interests of policyholders".

The DTI denies that Lloyd's business could be transferred swiftly to new companies outside the old Lloyd's. Authorisation, it says, could take a year.

Funding refusal may scupper opera house project

By Roland Adelburgh  
in Cardiff

Plans for a world-class opera house in Cardiff, the capital of Wales, face collapse after the Millennium Commission caused a furious row yesterday by refusing to provide National Lottery funding towards the £26m (£12.5m) project. The commission is the body created to organise official celebrations of the start of the 21st century.

The unexpected decision was announced by Mrs Virginia Bottomley, who is national heritage secretary and the commission's chairman. The decision caused dismay in Cardiff, where the waterfront opera house is intended to attract visitors and investment to the regenerated docklands.

Mrs Bottomley said she shared the disappointment but uncertainties over the finance, construction and design made the project too risky. Lord Crickhowell, chairman of the opera house trust, denounced the decision as "shocking and incomprehensible" and warned that the project could fold.

Lord Crickhowell, who was chief minister for Wales in the Thatcher governments of the 1980s, clashed with Mrs Bottomley at a news conference where she announced £26m of awards. They included the commission's fifth "national landmark" grant which will provide up to £21.5m towards a £67m seed bank at the Royal Botanic Gardens at Kew in south-west London. The second-largest grant, of up to £14.5m, will partly fund a project to create a coastal park near Llanelli in west Wales.

The 1,750-seater Cardiff opera house, planned to open in March 2000, would be a centre for the performing arts and a permanent home for Welsh National Opera.

The scheme has already received about £2m of government funding. But in the past year it has been damaged by wrangles over its "crystal necklace" design by the architect Zaha Hadid. There has also been a £46m bid to replace the sports ground at Cardiff Arms Park with a "superstadium" to host the rugby world cup in 1999.

Many in Cardiff believed the commission was unlikely to fund both the opera house and the stadium. The Welsh Rugby Union and local authorities campaigned for the stadium as "the people's choice." The commission rejected a first bid by the stadium supporters but they were invited to submit a revised scheme. A decision is expected in February.

Lord Crickhowell said he had no doubt that if the opera house proposal had been in London, the commission would have made the grant. The trust had bid for £50m, but he said, "all that we have asked the commission to risk at this stage is £2.75m in order to eliminate over the next year any significant uncertainties that remain."

He told Mrs Bottomley he failed to understand why this would not be done. Later, he said: "Wales has suffered very badly and Welsh people will share my anger at what has happened."

Mr Anthony Frend, Welsh National Opera general director, said: "It's too good a project to die." Sir Geoffrey Inkin, chairman of Cardiff Bay Development Corporation, called it "a disappointing setback." Mr Alun Michael, Labour MP for Cardiff South & Penarth and an opera house trustee, described the decision as "incomprehensible." The trustees will meet the commission next week.

Mrs Bottomley announced eight other grants for environmental and community projects, the largest being up to £1.5m to conserve magnesian limestone cliffs in East Durham, north-east England.

## Nation thirsts for jackpot prizes

Andrew Adonis examines the impact of the National Lottery

discovery of the lottery is that most people enjoy a flutter. Gambling has long been a feature of upper- and working-class life. "Betting is generally prevalent in the United Kingdom," noted a parliamentary inquiry on gambling in 1992.

As early as 1851, £1m is said to have changed hands on the Chester Cup, then the most important horseracing handicap of the year. On one estimate, four-fifths of the working class gambled regularly before the first world war.

What distinguishes the present lottery is not so much its scale, but its mindless character and its cross-class appeal. Mr Ross McKibbin, a social historian at Oxford university, stresses that, historically, both the horses and the football pools were a way of giving "intellectual structure to free time".

"Men who excelled in it attained the same kind of relative status as those who excelled, for example, in the middle-class professions." By contrast, winning lottery jackpots is sheer luck. In this sense it is a facet of modern escapist culture, propagated by the mass media and elevated into a shared national experience through the Saturday draw on television.

Advertising by Camelot, the consortium which runs the lottery, plays on the elements of fantasy and shared experience. Mr Ray Stone, lottery analyst at the Henley Centre, stresses its media impact. "The lottery

is revealing the least revealing

has produced a new genre of programmes. While the Saturday night live draw programme is a unique kind of entertainment, the country's thirst for jackpot prizes has led to a new sub-genre of game shows. *Raising the Roof* is the first game show with a huge jackpot prize, and is likely to be the first of a whole range of new game shows.

In the process, the lottery has brought respectable gambling to the middle class, the bedrock of the "moral majority" in times past. Mr Michael Hart, a politics fellow at Exeter College, Oxford, believes this too is a result of recent social change. "Taking risks with money, and getting into debt, are far more fashionable among professionals than 20 years ago, and are related to the development of the property and stock markets."

Is then everyone gambling together in Mr John Major's classless society? Only up to a point. Lottery fever is least pronounced among professionals. The proportion of the AB professional and managerial class taking part is far lower than for other social groups; those ABs who play spend a far smaller proportion of their income.

The distinction is starker still if household income is used as the yardstick.

London's premier cultural institutions have done extraordinarily well out of the lottery, with three of the five funds for "good causes" tailor-made for them (arts, national heritage and the Millennium Fund). The

of those from households with more than £15,600.

However, this picture is turned upside down when it comes to distributing the 28 per cent of lottery revenue reserved for five "good causes" - charities, the arts, sports, national heritage and the Millennium Fund, dedicated to prestige projects for the 21st century.

For a snapshot of the "great and the good" in mid-1990s Britain, it is hard to beat the catalogue of people - mostly men - who distribute the lottery largesse. The Heritage Lottery Fund, with some £5m a week to spend, is the most extreme case. Chaired by Lord Rothschild (fourth baron, educated Eton and Christ Church, Oxford, former chairman of the National Gallery Trustees), its 14 members include two peers, five knights or dames, a professor and a commander.

The fund's first significant decision was to spend £13m on acquiring Sir Winston Churchill's papers from his family. Stunned by the hostile public reaction, the trustees reviewed their acquisition policy. But it has not prevented them from spending millions on paintings from rich families. They could hardly do otherwise. Picassos, Dalis and Magrittes tend to belong to rich people. Once the "national heritage" had been designated a "good cause", much of the money was bound to be spent in this way.

London's premier cultural institutions have done extraordinarily well out of the lottery, with three of the five funds for "good causes" tailor-made for them (arts, national heritage and the Millennium Fund). The

Royal Botanic Gardens at Kew yesterday joined the list, gaining a £21m millennium award.

A recent official study of the distribution of lottery proceeds by region, across all five "good causes", showed London and

the south-east, with 21 per cent of the population, receiving 40 per cent of grants, while the north-east, north-west and midlands combined, with nearly one-third of the population, gained 15 per cent.

Furthermore, most of this cultural funding is entirely new. The arts world has complained loudly of cuts in direct government funding, but these have been minute compared with the gain from the lottery.

### UK NEWS DIGEST

## Sinn Féin protests at jail decision

Sinn Féin, the political wing of the Irish Republican Army, accused the government of the Republic of Ireland of using prisoners as "bargaining counters". The complaint came after the government's decision on Thursday to cancel the release of nine convicted IRA members. A government official said the move was in response to this week's two murders in Belfast, capital of Northern Ireland, which have been widely attributed to the IRA. Officials said the decision was taken by the cabinet on Wednesday before the visit to the republic on Thursday by Mr John Major, the British premier. They said the decision was unrelated to the Irish police's operation to foil a series of planned bank raids by IRA units around the country.

The opposition Fianna Fail party, which hitherto has called for more flexibility on the prisoners issue, endorsed the decision to rescind the releases. The government announced that 16 terrorists were being given between three and 14 days of temporary Christmas parole. *John Murray Brown, Dublin*

*Man in 'arms to Iraq' case is refused bail in S Africa*

Mr Paul Grecian, one of four British businessmen cleared by the Court of Appeal in London last month of illegally exporting arms to Iraq, must remain in jail in South Africa while the US government attempts to extradite him to face similar charges, a Johannesburg magistrate ruled yesterday. Refusing bail, the court said Mr Grecian, the former managing director of Orditec, the collapsed UK engineering company, might flee South Africa. Having previously worked for the UK intelligence services, Mr Grecian might be able to obtain a false

passport, the magistrate said. Mr Grecian faces charges in the US of conspiring to breach export regulations by attempting to supply artillery fuses to Iraq. Mr Grecian pleaded guilty to a similar offence in the UK in 1992 but his conviction was overturned.

*John Mason, Law Courts Correspondent*

## Six win damages from defunct Murdoch paper

Six directors of PowerGen, the electricity generator, received a public apology and undisclosed legal damages over an article about the directors of privatised companies which appeared in the Today newspaper. The article was published on November 17, the day the newspaper closed. It alleged that Mr Ed Wallis, chief executive, and five other directors of the privatised company had cashed in share options while "in possession of a secret five-year plan which forecast dire profit figures".

The defendants, Mr Rupert Murdoch's News (UK) acknowledged that there was "absolutely no truth in the accusation implicit in the article that either Mr Wallis or his co-directors had exercised their share options whilst in the possession of precise price sensitive information". The PowerGen directors are suing The Observer newspaper over similar allegations.

*David Wighton, Financial Staff*

## Police deluged with knives in weapons amnesty

Bayonets, swords and old-fashioned razors are among the hundreds of weapons handed in to police in the first three days of the national knife amnesty. The amnesty was announced after the fatal stabbing in a melee two weeks ago outside a London school of Philip Lawrence, the school's headmaster. Police in the northern English city of Manchester said yesterday that weapons were being handed in at the rate of about 75 a day. A bayonet dating from 1907 was handed in at one police station and a rusty sword at another. A spokesman for Sussex police, who are co-ordinating the four-week amnesty, said: "We're trying to persuade young people carrying knives for their own protection that they should get rid of them."

*PA News*

## 'A lot of fishermen cheat to survive'

By Deborah Hargreaves and George Parker

Mr John Major, the prime minister, was urged by a senior Conservative MP yesterday to press for sweeping reforms to the Common Fisheries Policy of the European Union. The call came after ministers in Brussels had agreed severe cuts in quotas for key species.

Mr David Harris, chairman of the Tory backbench fisheries committee and MP for St Ives on the south-west coast of England, warned that the policy could descend into anarchy as many fishermen were faced with the choice of cheating on quotas or going bankrupt. Brit-

ish fishermen face cuts in quotas for species such as plaice and sole in spite of the success of the UK's fishing minister.

Mr Tony Baldry, in softening the blow at the EU fisheries council.

Eurosceptic MPs in the government Conservative party claimed that the quota cuts agreed in Brussels proved that the policy was beyond reform and that Britain should reclaim its 200-mile territorial fishing limit.

The government's humiliating defeat over the fisheries policy in the House of Commons on Tuesday night at the hands of Conservative Euro-rebels may help to convince Mr

Major that the issue needs to be seriously addressed.

Mr Harris agrees with Mr Baldry that Britain cannot simply pull out of the CFP, but he says a reliance on quotas is not the best way to conserve stocks.

"A lot of fishermen cheat to survive," he said. "Not all fishermen do, but if you have the bank on your back, you have to cheat. They are in a desperate situation."

Mr Harris says the designation of no-fishing zones during spawning seasons, technical measures such as the use of square-mesh nets and greater national control over coastal waters would be a better way to conserve stocks. Cheating,

or landing so-called "black fish", is already ingrained in an industry where quotas are slashed from year to year to try to conserve fish stocks. Some estimates put the number of "black" fish landed at 30 per cent of the legitimate catch. "It depends who you fear most, the fisheries inspector or the bank manager," said Mr Barrie Deas, chief executive of the National Federation of Fishermen's Organisations, yesterday.

Trawlers operators face fines of up to £50,000 (\$70,000) or the prospect of their fishing licences being revoked if they are caught over-fishing, but quotas are hard to police.

### LEGAL NOTICES

#### RECENT CORPORATION ACT

A Petition is presented to the Court of Session on 17th December 1995 for confirmation of reduction of share premium account and cancellation of 100,000 shares of £1 each of the Registered Company plc, a company incorporated under the Companies Act 1985, having its Registered Office at 20 Castle Terrace, Edinburgh EH3 9QH.

On 17th October 1995, An Order for injunction and advertisement was made by the Sheriff of Edinburgh in the Court of Session.

For further details please contact the

Administrative Receiver.

Duncan Swift, Grant Thornton,

Cobourne House, Mayflower Street,

Plymouth PL1 1LG.

Tel: 01752 669911. Fax: 01752 665414.

Grant Thornton

The UK member firm of Grant Thornton International.

Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

### BUSINESSES FOR SALE

N. Holman & Sons Limited

N. Holman & Sons (Ship Repairers) Limited

(In Receivership)

Penzance

Ship Repair & Engineering Business

The business and assets of these long established family companies are available for sale:

■ Dry Dock capacity 75m x 12m

■ BS EN ISO 9002

■ Annual turnover £1.9m

■ Skilled labour pool available locally

■ Strategic geographical position

■ Specialities - MOD - coasters - fabrication and conversion work

For further details please contact the

Administrative Receiver.

Duncan Swift, Grant Thornton,

Cobourne House, Mayflower Street,

Plymouth PL1 1LG.

Tel: 01752 669911. Fax: 01752 665414.

Grant Thornton

The UK member firm of Grant Thornton International.



## INTERNATIONAL COMPANIES AND FINANCE

## Western Resources to buy ADT stake from Laidlaw

By Bernard Simon  
In Toronto

Western Resources, a Kansas-based power utility, is set to become the biggest shareholder in ADT, the international security services group.

Western has agreed to pay US\$215.6m, equal to \$14 a share, for half of the 23 per cent stake in ADT currently owned by Laidlaw, the Ontario-based waste and transport services group.

The US company has also acquired an option to buy Laidlaw's remaining ADT shares for \$14 or market value, whichever is higher, before May 1997. ADT shares were trading at \$13.50 on the New York stock exchange prior to the announcement.

Laidlaw said it was approached by Western during the autumn after formally putting its ADT stake up for sale. Although two Laidlaw directors sit on the ADT board, the Canadian company has taken little active interest in ADT for the past two years.

Western hopes to use ADT's extensive distribution network to accelerate a planned diversification and expansion which has been spurred by the recent deregulation of US power utilities.

The company currently supplies electricity and natural gas to about 1.2m customers in Kansas and Oklahoma. But it is eager to expand its non-utility services, including back-up power systems, appliance repair services and energy management programmes.

Western hopes to use ADT's 200 sales outlets in North America and Europe as a distribution channel for these products and services, and to help build a brand identity. ADT is the largest supplier of monitored security services in the US, with more than 1m customers.

Laidlaw and ADT have had a chequered relationship. The Canadian company forced Mr Michael Ashcroft, ADT chairman, to implement various improvements in corporate governance in the early 1990s. But Mr Jim Bullock, Laidlaw chief executive, said yesterday relations were currently "businesslike and cordial".

Laidlaw has not accounted for its equity earnings since early 1994 when it issued a series of debentures repayable in ADT shares, Laidlaw shares or cash. Laidlaw will use the proceeds of the sale to reduce debt.

If Western chooses not to exercise its option on the remaining 11.5 per cent stake in ADT, Laidlaw will either sell the shares or use them to redeem the debentures, which mature in 1999.

## Japanese in \$200m Chile copper project deal

By Kenneth Gooding,  
Mining Correspondent

A Japanese consortium has agreed in principle to take a 12 per cent stake in the Collahuasi copper project in Chile, to provide \$200m of finance for the project and to take a substantial part of the output after the mine comes into production in 1998.

The consortium consists of Mitsui & Co, Nippon Mining & Metals, and Mitsui Mining & Smelting.

They will acquire the 12 per cent interest in Collahuasi,

destined to become one of the world's biggest and lowest-cost copper producers, from Minoro, the Luxembourg-quoted subsidiary of the Anglo American Corporation of South Africa, and Falconbridge, the Canadian mining company.

At present Minoro and Falconbridge each owns half of Collahuasi, having bought in May this year the third owned by the Royal Dutch/Shell group for \$195m. This valued Collahuasi at \$355m.

The price to be paid by the Japanese consortium will be based on this valuation so the

12 per cent will cost at least \$70.2m. However, the consortium will also pay a premium of \$6.5m in consideration for the supply contract, and on top of that will pay for its share of project costs.

At present Minoro estimates that the cost of bringing Collahuasi into production will be \$1.7bn. In its first 10 years the mine is expected to produce 330,000 tonnes of copper a year in concentrate (an intermediate material) and 50,000 tonnes of the metal in the form of cathodes at a cash production cost of between 50 and 53

cents a pound (\$1,102 and \$1,168 a tonne).

The consortium will have a long-term contract to take 250,000 tonnes of concentrate in Japan. Mitsui & Co will provide up to \$200m for Collahuasi as a customer finance project.

The consortium will start a "due diligence" process and, subject to various regulatory and corporate approvals, the deal is expected to be finalised in the middle of 1996.

The arrangements are in line with Japan's policy of securing

supplies for its copper smelters by taking an equity interest and bearing part of the cost of new projects.

A Mitsubishi-led consortium owns 10 per cent of Econic in Chile, which will soon be the world's biggest copper producer. Sumitomo owns 20 per cent of the \$500m Candelaria project, also in Chile.

Shell disposed of its interest in Collahuasi at the time it sold most of its other mining operations, mainly carried out under the Billiton banner. Billiton is now part of Gencor of South Africa.

### NEWS DIGEST

## Tanzanian move by RJR Reynolds

R.J. Reynolds Tobacco International, the Geneva-based tobacco subsidiary of R.J. Rehisco, has bought a stake in the Tanzania Cigarette Company for \$55m. It said the deal was the largest private sector investment in Tanzania since the country's independence in 1961. The agreement called for substantial additional investment. R.J.R. said it planned to double Tanzania Cigarette's volume and profits over the next five years. Tanzania Cigarette has annual sales of over \$75m. Reuter, New York

### Bronfman relax hold on Edper

Toronto's Bronfman family has further loosened its ties with the sprawling group that used to be Canada's biggest family-controlled business. Mr Peter Bronfman will exchange his remaining stake in Edper Holdings for non-voting shares in Edper Group. Edper Holdings is a private company through which Edper Group holds a 40 per cent stake in Fries International, one of the linchpins of the resources, real estate and financial services empire.

Mr Bronfman, cousin of Mr Edgar Bronfman, chairman of Seagram, the drinks and entertainment group, will also acquire a 15 per cent stake in Parfums, a holding company that controls Edper Group. The remaining 85 per cent of Parfums is held by Edper senior managers, led by Mr Jack Cockwell, who have built up a dominant position. The transactions are part of a drive by managers to simplify Edper's complex structure in the wake of a turbulent period in 1991-93 when the group was hit by financial difficulties and strong investor criticism.

Bernard Simon, Toronto

### Metsä-Serla buys German paper maker for FM1.25bn

By Hugh Carnegie  
in Stockholm

Metsä-Serla, the Finnish pulp and paper group, has bought the German magazine and specialty paper maker MD Paper for FM1.25bn (\$265m), boosting a trend of consolidation in the European forestry industry.

The purchase is set to result in a significant cut in planned capacity expansion in coated magazine paper in Europe. That will be welcomed by investors nervous that increasing capacity in the coming two years may undermine prices in the pulp and paper sector.

MD Paper's shares rose FM1.00 yesterday to close at FM135.00 and the recently depressed forestry sector index on the Helsinki bourse jumped 3.9 per cent.

Richard Lapper

### End of Gemms at Bankers Trust

Bankers Trust will next week cease activities as a gilt-edged marketmaker. The decision follows moves by other smaller Gemms, which make markets in UK government stock. It comes ahead of the introduction on January 2 of an open market in gilt repos, which allows other dealers, as well as Gemms, to borrow gilts.

Tom Burns, Madrid

### Huarte share-trading suspended

Trading in Huarte, Spain's seventh ranked construction company, was suspended yesterday as creditor banks moved to repossess the company through a debt for equity swap with Hasa, the company's controlling shareholder with 50.3 per cent of its equity. Constructora San José, ranked 14th in the domestic construction sector, has management control after paying Pta2.5bn (\$20.5m) for 24.9 per cent of the Hasa-held shares. The pool of creditor institutions, headed by Banco Central Hispano (BCH), Argentaria and Banco Atlántico, will capitalise loans totalling an unspecified amount for 23.3 per cent of Huarte's capital. The negotiations to salvage the company, which was at the centre of political sleaze allegations earlier this year, included a swap of Huarte's real estate assets valued at Pta25m for debts owed to the creditor banks totalling Pta16bn.

Christopher Bobbitt, Warsaw

### Seita in Polish cigarette deal

Seita, the French tobacco company, agreed to pay \$64m for a strategic stake in ZPT, a Polish cigarette producer. Seita is to invest \$40m over the next three years. The French company will own 33 per cent of equity immediately and has an option to purchase a further 33 per cent at a nominal price once the investment programme is completed. The purchase follows the sale of a 65 per cent stake in the Augustow works for \$83m to the UK company which promised to invest \$70m in the

company. The government had three other tobacco plants in Krakow, Lodz and Poznan still open to foreign investors.

But initial bids from Philip Morris and Reemtsma of Germany, and Myllykoski subsidiary, Myllykoski Paper, and the two groups are widely expected to merge.

APX News, Rome

## Candidate for Fiat top job pulls over

By Hal Simonian,  
Motor Industry Correspondent

The field to succeed Mr Paolo Cantarella as chairman of Fiat's core car division narrowed significantly yesterday with the appointment of Mr Giovanni Battista Razzelli, head of international operations, to run the group's South American subsidiaries.

Mr Razzelli's imminent departure for Brazil reduces to three the leading candidates to succeed Mr Cantarella. Fiat has not indicated when a successor will be named. Analysts say Mr Alessandro Barberi - Mr Cantarella's deputy at the cars division - and Mr Giancarlo Boschetto, who heads the Iveco commercial vehicles operation, remain ahead, although attention has recently switched to

Mr Roberto Testore, who is in charge of the Comau automation subsidiary.

Mr Razzelli will take up his new job early next month, replacing Mr Pacifico Paoli, who has been running the group's operations in Brazil and Argentina since 1990.

He is a natural candidate for the position because of his role in promoting Fiat's new compact Palio "world car", to be introduced in Brazil next April.

Brazil is one of Fiat's most important foreign markets and has been a key contributor to the group's financial recovery.

However, yesterday's announcement harks all the hallmarks of a rushed job. Brazilian analysts say Fiat was forced into publicising the news because of leaks in the

local press that Mr Paoli was being pushed out. Mr Paoli has helped drive the group's impressive performance in Brazil, where sales and market share have grown rapidly in the 1990s. However, his forceful character is also said to have created frictions.

● Fiat subsidiary IMI and the Agnelli family holding Iri may buy Alcatel Alsthom's 2 per cent stake in Fiat. Mr Giovanni Agnelli, Fiat chairman, said Alcatel Alsthom has confirmed it would sell the stake.

Paolo Cantarella: short-list for successor cut to three

## Samsung to take control of AST board

By Paul Taylor

Samsung, the South Korean electronics group, is taking boardroom control of AST Research, the struggling US personal computer manufacturer, as part of a deal under it will double AST's bank credit line to \$200m.

The agreement is the latest evidence of the dire state of the PC market for vendors in both the US and Europe where cut-throat competition has put profit margins under intense pressure.

Under the terms of the agree-

ment, business would be closed unless it achieved break-even by the end of 1996.

Under Samsung's deal with AST, the US company will receive a bank credit line of up to \$200m guaranteed for two years by Samsung and a \$100m vendor credit line for component purchases from Samsung in exchange for a controlling sixth seat on the AST board.

Part of the bank credit will be used to pay off a \$50m short-term loan recently made to AST by Samsung, in addition to the board seat, Sam-

sung will also get a five-year option to buy up to 4.4m shares of AST stock at a penny a share, beginning on July 1 1996.

If Samsung fully exercised the option, it would increase its AST stake to 45 per cent from its current 40 per cent which it acquired for \$37.5m in August.

Last month AST's first-quarter figures revealed net losses of \$96.4m, or \$2.36 a share, compared with losses of \$39.4m, or \$1.22, in the same period a year ago.

## Informix in share-swap deal with Illustra

By Paul Taylor

Informix, the California-based relational database management software group, is to acquire Illustra Information Technologies in an agreed share-swap deal worth about \$85m. The deal is designed to help Informix capture the expanding market for content management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-ics, video, audio and other complex data.

This acquisition gives Informix a significant lead over any other database vendor in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.

Informix to integrate Illustra's software into its core parallel database technology. Informix believes this will give it a significant advantage in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.

Informix believes this will give it a significant advantage in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.

Informix to integrate Illustra's software into its core parallel database technology. Informix believes this will give it a significant advantage in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.

Informix to integrate Illustra's software into its core parallel database technology. Informix believes this will give it a significant advantage in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.

Informix to integrate Illustra's software into its core parallel database technology. Informix believes this will give it a significant advantage in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.

Informix to integrate Illustra's software into its core parallel database technology. Informix believes this will give it a significant advantage in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.

Informix to integrate Illustra's software into its core parallel database technology. Informix believes this will give it a significant advantage in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.

Informix to integrate Illustra's software into its core parallel database technology. Informix believes this will give it a significant advantage in the battle to win new market share.

Both companies realise the Web is driving a large and rapidly-growing new market for information management. This new market, which is driving a shift from static and fixed data types to dynamic and rich content, requires users to work

with three-dimensional graph-

ics, video, audio and other complex data.



## COMMENT &amp; ANALYSIS

## FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL  
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700

Saturday December 23 1995

## The price of peace

The Financial Times will not be published on Monday or Tuesday. That will surprise few readers in the West but may require explanation further afield. Though a secular newspaper, catering for a worldwide readership, the FT is also part of a society fashioned by centuries of Christian belief and practice. How many of its readers or writers now believe or practise Christianity is not our business to enquire. But enough of them are attached to Christmas as a family holiday for it to be appropriate that we observe it.

In Turkey, where a Moslem people governs itself through secular institutions, Christmas is remote enough for a general election to be held tomorrow without inconvenience, other than that caused by the weather. Yet the election is being held on a Sunday because, like many other non-Christian countries, Turkey observes the Christian weekly day of rest. That is simply a matter of convenience, as indeed, is the use of the Christian Era, along with the Greco-Roman calendar. Today's global society results from the expansion of European culture, partly mediated through North America, which includes a huge Christian legacy.

Within Christianity it became conventional in the early Middle Ages to date the birth of Christ on December 25, conveniently grafting celebrations of Christianity's central doctrine (the incarnation of God as a human being) on to pre-Christian winter solstice festivals. In northern Europe and north America, where people most need something to cheer them up in mid-winter, Christmas has come to be the big event of the Christian year. As an occasion for giving presents, eating and drinking it has taken on a life largely disconnected from Christianity.

### Self-indulgence

Laments about this "commercialisation" of what is supposed to be a religious festival have themselves become part of the ritual. Christianity stresses self-sacrifice and care for the unfortunate, but Christmas has become an occasion for self-indulgence, which makes the unfortunate feel even more isolated and neglected than usual. That in turn triggers another human feeling, guilt, which Christianity has imparted over the centuries, and which charities skillfully exploit.

Another value traditionally associated with Christmas is peace. Christians like to think of this as a "Christian" value, but often they have found religious justifications for making war.

War, it seems, is deeply embedded in human nature. If Christians

have had so little success in overcoming it, that may be because the costs of pursuing peace are often underestimated, whereas the cost of waging war is well understood. We tend to think of peace as simply a matter of abstaining from war, which we believe to be our natural inclination in any case. There would be peace, we think, if only others would be more like us.

### Unarmed struggle

Alas, there is more to it than that. War is rooted in the conflicts, injustices, fears and mutual misperceptions that abound in the world. Whoever hopes to achieve peace must tackle those evils head on. Peace is not an easy option. True pacifism involves an unarmed struggle, which often requires greater courage than the armed variety. "I favour non-violent resistance, but it is better to resist violently than not at all," says the American Christian pacifist Jim Wallis.

Yitzhak Rabin was no pacifist, but he paid with his life for his determination to achieve peace between peoples whose history seemed to condemn them to perpetual war. His death, paradoxically, has helped ensure that this Christmas will be the first in 29 years to be celebrated in Bethlehem, without the presence of Israeli occupying troops.

None of the signatories of the Dayton agreement can be sure of avoiding a similar death, any more than the soldiers who are now arriving in Bosnia to try and make it work.

Last week, a 10-foot graffiti appeared in West Belfast, threatening Gerry Adams, the Sinn Féin leader, with the fate of an earlier Irish republican, Michael Collins - killed after he signed the treaty with Britain in 1921.

Ending wars is difficult, dangerous and often expensive. Preventing them can be cheaper, but also less glamorous. It requires not only diplomacy but also, as Senator Gareth Evans, the Australian foreign minister, told London's Royal Institute of International Affairs this week, "peace building" action to confront the causes of disputes and conflicts.

This means working to improve the structures of co-operation between countries, and within them to improve the effectiveness of institutions, to ensure respect for minorities, to eliminate discrimination above all to achieve sustainable economic development. To devote more effort to such tasks would be a good resolution for all UN members to make, as the UN's 50th anniversary year draws to its close.

Some of these traumas highlight

The year of the boar, popularly held to be a harbinger of trouble, has been one most Japanese would prefer to forget.

It has seen Japan's most cherished values - stability, faith in being part of a group and respect for authority - shaken by an extraordinary sequence of chance events and self-inflicted catastrophes.

In the past 12 months, according to Mr Hotaka Katahira, a professor of marketing at Tokyo University, "we suddenly found that we no longer have a coherent national system of values".

The sequence started in the early hours of a January morning with the Kobe earthquake, in which 5,504 people died and a big chunk of Japan's industrial heartland was demolished.

The authorities' slow rescue effort and initial reluctance to accept foreign help confirmed many people's fears that the government is ill-equipped to carry out one of its most basic duties: handling a crisis. It also made the public realise that officials were wrong to claim that modern Japanese buildings and roads were constructed to quake-proof standards.

No sooner had the fires of Kobe died down when there was a lethal gas attack on the Tokyo subway by Aum Shinrikyo, a previously obscure mystical cult. This killed 11 people and made another 5,000 ill. The attack by Aum, run by science graduates from some of Japan's best universities, was widely seen as a threat to the order of one of the world's most orderly societies.

The next blow to stability was an economic one, in April, when

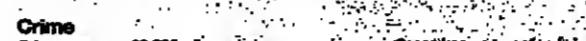
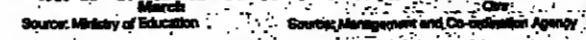
the yen suddenly surged to a new high of Y19.75 against the dollar. Oddly, this was in part a sign of investors' lack of confidence in Japan's recovery, since it reflected their belief that demand for imports would not be strong enough to bring down the trade surplus. It increased the pressure on Japanese industry to move to cheaper locations overseas and whipped up fears of rising unemployment in a society long accustomed to jobs for all.

The exchange rate has since eased to a more manageable Y102 to the dollar. But the currency storm was a reminder that Japan's economic competitiveness is vulnerable to the whims of financial markets as capricious as earthquakes.

Finally came a blow to the conventional belief in the safety of banks with the collapse of five financial institutions. All were wiped out by non-performing loans used to purchase over-valued property bought at the end of the 1980s before the subsequent slump in asset prices.

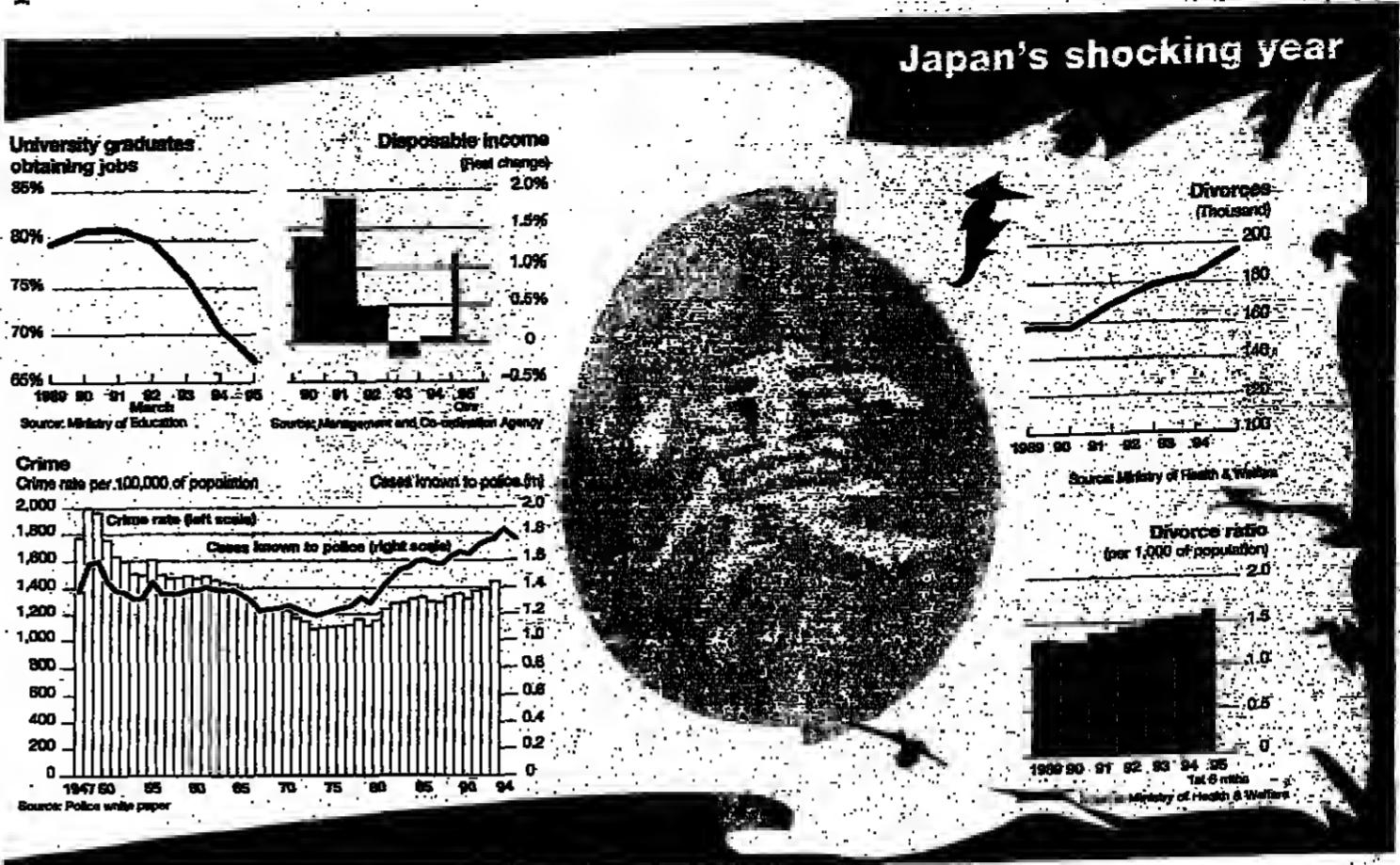
For the first time ever, the government did not attempt to revive the casualties - although it bailed out depositors. In adopting this stance, it was taking the first step in its new policy of gradually withdrawing state protection from the banking industry.

Some of these traumas highlight



## Boar that left havoc in its wake

An extraordinary sequence of events over the past year has shaken some of Japan's most cherished values, says William Dawkins



A change that has been taking root in Japan over several years. Once an isolated haven of consensus, mutual obligation and order, Japanese society has become less protected and controlled, more market-driven and more outspoken.

The transition implies pain as well as rewards, and so far distress has predominated. The proportion of Japanese who feel satisfied with society has nearly halved from an already very low level to just 6.5 per cent over the past year, according to an annual poll by Hakubundo, an advertising agency. When asked to choose a kanji character that best described social conditions in 1995, a sample of Kyoto residents picked shita, meaning shock.

Such attitudes reflect longer-term trends in addition to the big events that have grabbed this year's headlines. The divorce rate has risen to a record 1.57 per 1,000, although it is still well below western levels. Suicides have started to climb after declining in the 1980s: so has the crime rate.

Many Japanese are starting to wonder where this difficult transition is leading. They are divided over whether the country will recover and scale new heights of prosperity, as it did after previous upheavals.

Optimists include Mr Katahira, who believes 1996 has been a year of creative destruction. Japan's hardships will stimulate long-overdue market and social changes, he argues. For the same reason, Mr Kiyoshi Kikuchi, a former United Nations ambassador who advises Matsushita, the world's largest con-

sumer electronics company, believes 1995 was in many ways "a blessing in disguise".

Among the pessimists, Mr Yotaro Kobayashi, chairman of Fuji Xerox, the US-Japanese office equipment maker, warns that the public has not suffered enough to force politicians to undertake the radical economic deregulation needed to unlock growth. Because of this political inertia, he predicts there is a more than 50 per cent chance of another recession in the next two years.

**D**espite its rising suicide and crime rates, Mr Kobayashi argues that Japan has had a uniquely, and maybe dangerously, painless recession. Real incomes have actually risen nearly 1 per cent over the past five years. At worst, according to the government's latest five-year economic plan, unemployment could rise from its present record 3.2 per cent to 3.75 per cent. "The danger is that people say to themselves: 'If this is the worst that can happen, why change?'" Mr Kobayashi says.

But there is one point on which pessimists and optimists agree. The past year has shown how the protective frontiers of state, company and social group have inchéd back. This can be seen in the ways in which three important groups - business, consumers and politicians - have advanced at the expense of traditional high-priced department and corner stores.

Consumers too have started to discriminate more sharply. Trusted but high-priced brands have started to lose market share to cheaper new goods. Discount retailers have advanced at the expense of traditional high-priced department and corner stores.

Mr Katahira of Tokyo University believes there are now two kinds of consumer. The new generation seeks product value and has fickle tastes; the old is loyal to reliable brands. New generation traits have

tended to predominate more over the past year, he says.

For the first time,

the private

sector

is

embracing

responsibility

for

itself

and

government intervention

is

getting

weaker," says Mr Shinji Fukukawa, a former vice industry minister who now heads Denton Institute for Human Studies, a think tank.

The widening discrepancy in the profits earned by good and bad banks and industrial companies in the past year is another testament to the erosion of the system in which all moved in harmony, he says. Under Japan's so-called "convoy" system, there was an unwritten agreement that published write-offs and extraordinary losses should be kept within set limits to give an appearance of stability.

A similar trend is apparent in the way those companies reward employees. A gap between the pay of over- and under-performing staff is being allowed to open, as more companies - including Mitsubishi Corporation and Sony - shift from seniority-based salaries to merit awards.

Consumers too have started to

discriminate

more sharply.

But

there

is

one

point

on

which

they

agree.

Consumers' growing assertiveness is paralleled by their elected representatives. The prime example is Mr Ryutaro Hashimoto, minister of trade and international industry, who won plaudits for beating off US demands last summer for a guaranteed rise in car exports to Japan. He was rewarded in September with the top job in the Liberal Democratic party, the dominant member of the government coalition.

The political opposition, the New Frontier party, has shown a similar trend towards more assertive leadership. It is embroiled in a leadership election, to be decided next week, in which the two rivals are unusually - conducting an animated policy debate.

This is a break with the old tradition in which leaders were chosen,

like consumer products,

for a reliable

brand image.

Neither candidate

plans

to

appoint

his

rival

deputy

leader

which

breaks

with

another

tradition

that

## COMMENT &amp; ANALYSIS

**A**t Christmas six years ago, the world watched with astonishment the spectacle of the Romanian revolution, which provided a dramatic climax to the events of the previous six months.

Starting with the Polish election in June, all six of the Soviet satellites in eastern and central Europe - Poland, Hungary, East Germany, Bulgaria, Czechoslovakia and Romania - appeared to have cast off their communist shackles. Two years later, the Soviet Union was to follow suit, breaking up into its constituent republics under the impulse of Mr Boris Yeltsin, its fiercely anti-communist Russian leader.

This week the reconstituted Russian Communist party, led by Mr Gennady Zyuganov, became the largest in the new Russian parliament, proclaiming its determination to overturn the 1991 treaty by which the Soviet Union was dissolved. Its success followed a string of election victories for communist or ex-communist parties throughout central and eastern Europe.

And today will see a moment of bitter symbolism in Warsaw, when Mr Lech Wałęsa steps down from the Polish presidency. The man who has as much claim as any to have launched the whole anti-communist revolution, will hand over his seals of office to Mr Alexander Kwasniewski, the former communist who beat him in last month's presidential election.

So has the 1989 revolution failed after all? Do the peoples of eastern Europe, having given capitalism a brief try, prefer communism? Has the west missed a historic opportunity by failing to embrace the former communist countries and help them through the painful transition to freedom? Will the recent elections be the last free ones in that part of the world before another long night of totalitarianism? Do we face a return to the cold war?

I believe the answer to all these questions is no.

It is in any case wrong to treat the whole area as a bloc. It's apparent uniformity before 1989 resulted from the historically particular circumstance of Soviet occupation after the second world war. The west had permitted and indeed encouraged that, because it needed Soviet help to defeat Nazi Germany - a contingency that is most unlikely to recur. Whatever tensions the attempt to reach economic and monetary union may have created in Europe, it is hard to imagine that things will get to the point where western powers would again welcome Russian military control of

## The ballot box is here to stay

Despite recent communist success, Edward Mortimer thinks democracy will survive in east Europe



Communist comeback: Gennady Zyuganov (left) celebrates success in Russia last weekend, while Alexander Kwasniewski and his wife acknowledge victory in Poland last month

unknown. Mr Zyuganov's communists are not like Mr Horn's socialists or Mr Kwasniewski's Democratic Left Alliance. Yet even Mr Zyuganov is not proposing a wholesale return to centrally planned economics. This week he was trying to reassure foreign investors - something he would quickly find difficult were there to be any attempt to rebuild the Soviet Union by other than purely peaceful means.

Some western observers, indeed, see the results of the Russian elections as less important than the orderly and open way they were conducted, which suggests in their view that democracy is putting down deep roots even in what was thought the infertile soil of Russia. And some would argue that the main threat to democracy's future in Russia comes not from the communists but from Mr Yeltsin, or from those members of the new business class who have been urging him to cancel next year's presidential elections rather than risk a reversal of economic reform.

Ironically, the Marxists had a point when they called western representative democracy "bourgeois". Its long-term viability depends less on the ideology of particular parties than on the existence of independent economic interests capable of limiting the power of the state and insisting on its impartiality. The creation of such independent competing interests after a period of total state monopoly has never been tried before, and it is too early to say whether it has succeeded in central and eastern Europe.

In virtually all countries the first

pass into the hands of former members of the communist nomenklatura, who shamelessly promote their private interests by seeking to prolong monopolies and state subsidies wherever possible. Yet alongside this process have come two other, more hopeful ones: the creation of millions of small businesses and the arrival of thousands of foreign companies which hire the brightest young people and give them a thorough grounding in western business culture.

It would be foolish to express too much confidence about the future of democracy in the region as a whole - especially those parts of it where political stability is threatened, and economic activity impeded, by ethnic conflict. But the socio-economic changes in progress will be difficult to reverse. And they should in time produce a climate in which swings of the political pendulum, far from spelling the end of democracy, can be recognised as one of its essential features.

central Europe to destroy, or even to balance, German power.

One should not forget that part of Germany itself has had to go through the transition from communism to capitalist democracy. German unity has been an expensive and traumatic business, giving rise to much disillusion and resentment.

Eastern Germany, in spite of the millions of D-Marks spent there in the past six years, is not immune to the wave of reaction affecting other former communist countries - just as it was not immune to the drop in output and rise in unemployment which everywhere followed the dismantling of the command economy.

Nestling in the angle between Germany and Austria lies the Czech Republic. The Czechs never thought of themselves as east European, and now their prime minister, Mr Václav Klaus, denies they are even part of Central Europe, so firmly has he oriented the country westward both politically and economically. This has been made much easier by the severance of the link with Slovakia, a country that stretches a long way eastward, sharing a border with the old Soviet Union.

The Czech Republic is virtually unique among former communist countries in that there is absolutely no sign of a communist comeback. Alone in Central Europe, the Czech Communist party still calls itself communist; and it is credited with a mere 7 per cent of public support in opinion polls. In the unlikely event of any party displacing Mr Klaus in next summer's elections it would be the Social Democrats, who have no connection with the ex-communists.

So however timid and indecisive western leaders may be, it seems safe to say that, even if Russia were to become once more a fully fledged communist and expansionist power, Germany would stay united and the Czech Republic, at least, would remain firmly anchored in the west. Indeed, it would probably be a full Nato member before Russian troops got anywhere near its border.

And if the west showed even a

minimum of courage and decisiveness, the same would apply to Poland and probably to Hungary. It is true that in both these countries the former communists have now returned to power. They have done so, however, not only under new names but protecting their determination to maintain the new course set by their opponents in both foreign and economic policy.

Most independent observers would agree that, at least in these two cases, the party leaders' conversion to market economics, and to seeking membership of Nato and the European Union, is full and sincere. (If there is a threat to democracy in Poland, it now comes more from the reluctance of Mr Wałęsa and the Catholic church to accept any desire by Mr Kwasniewski to put back the clock.)

One reason why one can feel reasonably confident about this is that these were the two countries where the ruling communist parties led the way in the 1980s, both in economic reform and in negotiating political changes with the non-communist opposition. Mr Gyula Horn, now prime minister of Hungary, was the foreign minister who ordered the dismantling of the fence between Hungary and Austria in 1989, enabling east Germans "hollandmakers" to escape to the west. His decision also enabled Mr Horn to live down his more remote past as member of a special police force which hunted down dissidents after Soviet tanks suppressed the Hungarian revolt of 1956.

Mr Kwasniewski, for his part, belongs to a younger generation of Polish ex-communists. He cannot be blamed for the imposition of martial law in 1981, and played a part in the "round table" talks which led to free elections and the formation of a non-communist government in 1989. As one moves further south towards the Balkans, or east into the former Soviet Union, things become less clear. In Romania, the spectacular "revolution" of 1989 turned out, with hindsight, to have been something more like a messy coup d'état. There has been no decisive break between the Ceausescu regime and the present ruling Party of Social Democracy, which is an old-style, leftwing party dominated by senior members of the communist nomenklatura.

In the Baltic states - Lithuania,

Latvia and Estonia - no domestic development seems likely to reverse the changes that have occurred

since they left the Soviet Union in 1991. But their chances of defending themselves, or of being defended by the west, would be much less promising if things were to get really nasty in Russia.

That, of course, remains the great

### LEADERS FOR A NEW MILLENNIUM

Jude Kelly • By Antony Thorncroft

## Outsider in the wings

Next year Richard Eyre retires from the biggest job in British drama - the directorship of the Royal National Theatre. He wants more time to follow his personal passions.

Already an unofficial shortlist of possible successors is bandied about in theatrical circles: Sam Mendes, the 30-year-old *wunderkind* from the Donmar Warehouse in Covent Garden; the slightly older guardian of the Royal Court, Stephen Daldry; perhaps Jonathan Kent, who has made such a success of the Almeida in Islington. All men, all stars of the London theatre scene.

But one other name is invariably added to the list, a woman from the north, Jude Kelly. Almost six years ago Kelly, 41, was the surprise appointment to run one of the most ambitious new theatrical projects in the UK, the Leeds-based West Yorkshire Playhouse.

The two-auditorium theatre was built by Leeds City Council with some commercial backing. Its remit was to develop strong links with the local working-class community while attracting to the region top actors, writers and directors. The appointment was a big challenge for a woman whose previous experience had been on the theatrical fringe, directing plays and running small venues such as the Battersea Arts Centre in south London.

"I think the theatre has exceeded all expectations," says Kelly. "I had the most expectations of it - and also the most terror. There was always the fear that in two years it might be converted into an Asda supermarket."

There is little risk of that now. At the West Yorkshire Playhouse Kelly has done all the right things. She has won the plaudits of the professionals for her theatrical output - 106 productions, of which more than a third have been new plays. The local council, which makes a £700,000-a-year (£10.6m) grant, seems happy with her outreach programme to 170 schools, and initiatives to draw in new audiences such as Wednesday "Maydays", at which the over-55s gather.

And the theatre has also been a financial success - reasonable audiences of about 85 per cent of capacity last year ensure that the Playhouse not only breaks even but is also slowly paying off its £21.6m capital debt. A Prudential Award for the Arts is one tangible sign of its success.

With the Playhouse ticking over nicely, Kelly finds time to reach an even wider audience. A slight blonde extrovert, direct in speech and confident in opinion, she is a popular choice for programmes such as BBC Radio 4's *Any Questions* and BBC TV's *Question Time*.

"It's important that the arts, and the arts establishment, contribute creatively to society rather than hide away in their little bunker," maintains Kelly.

She is an enthusiast for the theatre and its civilising virtues. "It is one of the few

places where people can go for personal and congregational consideration about life."

Her skill is in conjuring up an unusual mix of repertoire, and in persuading an audience not steeped in theatre-going to come, and then come back for more. Her Christmas show is no traditional pantomime but the UK premiere of *The World Goes Round*, a musical by the Broadway duo Kamier and Ebb.

Kelly is a world away from the London "luvvies" who dominate the capital's theatre, which perhaps accounts for the absence of invitations to produce in the capital. Her voice retains its Liverpool origins, her approach is northern directness rather than southern smoothness, and she is definitely not Oxford in background. She lacks the international aspirations to direct on Broadway or move to Hollywood, common among other contenders for the National Theatre job.

Her main achievements at Leeds have been launching new plays, such as Sherman MacCannell's *The Winter Guest*, another transfer to London; giving first opportunities to young directors such as Matthew Warchus; and persuading cele-

brated actors such as Alan Rickman and Prunella Scales to direct there.

Like other theatrical supremes, Eyre at the National and Adrian Noble at the Royal Shakespeare Company, Kelly directs some productions each year. Among her plays this year were the Nigerian dissident Wole Soyinka's *Beauteification of Area Boy*. Her latest work was *King Lear*, which drew Warren Mitchell to Leeds in the title role.

But there is a heavy burden in representing the public face of her theatre. She has a general manager to handle the day-to-day accounts, but Kelly must raise the money, devise the programme, speak to the community.

Her latest project is to approach the Arts Lottery Fund for money raised by the National Lottery to build a writing laboratory beside the theatre, where professionals and amateurs learn writing techniques. She hopes that it might develop into a cultural college offering both practical and theoretical modules of arts activities.

There are some who think her spell in Leeds has perched her managerial skills while draining her creative abilities. Her *King Lear*, which was one of many West Yorkshire Playhouse productions to earn a transfer to London, was judged a failure. Kelly agrees that operating as chief executive and directing three plays a year is difficult: "The balance is tough I can't always devote as much thought to directing as others can."

Does the chief executive of the National Theatre have to direct? Jeremy Isaacs, the former television executive who runs the Royal Opera House, Covent Garden, is not expected to produce opera or dance. But in the small, gossipy world of the theatre you must be known to perform at the rock face, and to perform consistently.

At Leeds, Kelly has effectively created a "National Theatre of the north", although she cringes at the title. She has shown great ability in persuading some star names to appear in Leeds for a pittance. She has mixed new work with traditional favourites and drawn in a new audience. She has become one of the few public voices for the arts. All this must recommend her to the board of the National.

But Kelly is a world away from the London "luvvies" who dominate the capital's theatre, which perhaps accounts for the absence of invitations to produce in the capital. Her voice retains its Liverpool origins, her approach is northern directness rather than southern smoothness, and she is definitely not Oxford in background. She lacks the international aspirations to direct on Broadway or move to Hollywood, common among other contenders for the National Theatre job.

She would be an "outsider" - but if a new director of the National is chosen at a time of political change and radical thinking, Kelly could be the popular choice.

## Sweet taste of success

Alcoholic soft drinks are delighting the industry but worrying lobbyists, says Roderick Oram



waver with alcoholic lemonade," Dr Rae believes.

The issue was raised recently in the European parliament by David Hallam, a British MEP. "My fear is that these drinks will quickly be substituted in young people's minds for ordinary soft drinks," he said, kicking off a campaign to trigger a European Commission investigation.

The danger with these "designer" drinks is that you are throwing young drinkers into the deep end."

The Portman Group sees hard/soft drinks as legitimate products aimed at young adult consumers. But it is worried by those with names and marketing campaigns that blur the distinction between childhood and adulthood."

The Portman Group will propose a code of practice to its industry members in January banning names that, for example, include lemonade, cola or other soft drink names or use marketing campaigns that appear to appeal to a young audience. If the industry fails to take these steps, it argues, it could lay itself open to more draconian measures such as advertising bans inspired by the anti-alcohol lobby.

"It is a big and fair issue for

people to put on the table," says Mr McBride. Bass calls Hooper's Hooch an alcoholic lemonade but says it is designed for adults and "real" lemonade is a traditional English adult drink.

"We have our own strict guidelines on brands," says Mr Andy Neal, UK marketing director of United Distillers.

Another spirits executive adds: "These new products will be massively cannibalistic of others."

The goal for him, however, is to increase spirits consumption at the expense of beer and wine. Having got young adults interested in spirits, it might be possible to graduate them gently to ones with more sophisticated tastes.

Those who wince at the thought of ingesting cola, soda or lemonade, however hardened by alcohol, may prefer to stay with their traditional spirits and liqueurs. But even these are being subjected to "new product development". GrandMet, for example, has unveiled Godet, a white Belgian chocolate liqueur which uses "ground-breaking technology" to keep the chocolate liquid. Guinness is launching the first black Scotch whisky (Loch Dhu) and the first blonde (Scotch Jackson's Row).

Clearing technological hurdles is one thing, but convincing consumers is another. The drinks industry reckons at least eight or nine out of 10 new drinks fail, although it believes the hit rate is rising as it learns more about consumers. All executives have their favourite flop story, though, to spur them on.

For Mr Steve Wilson, director of international brand development at GrandMet's IDV drinks arm, it is Slowboat. Launched in the early 1980s, the banana-flavoured spirit was "a most hideous concept and a most hideous liquid". When he runs into the occasional bottle still languishing in a dark corner, he says: "It's a big and fair issue for

them to put on the table," says Mr McBride. Bass calls Hooper's Hooch an alcoholic lemonade but says it is designed for adults and "real" lemonade is a traditional English adult drink.

"We have our own strict guidelines on brands," says Mr Andy Neal, UK marketing director of United Distillers.

Another spirits executive adds: "These new products will be massively cannibalistic of others."

The goal for him, however, is to increase spirits consumption at the expense of beer and wine. Having got young adults interested in spirits, it might be possible to graduate them gently to ones with more sophisticated tastes.

Those who wince at the thought of ingesting cola, soda or lemonade, however hardened by alcohol, may prefer to stay with their traditional spirits and liqueurs. But even these are being subjected to "new product development". GrandMet, for example, has unveiled Godet, a white Belgian chocolate liqueur which uses "ground-breaking technology" to keep the chocolate liquid. Guinness is launching the first black Scotch whisky (Loch Dhu) and the first blonde (Scotch Jackson's Row).

Clearing technological hurdles is one thing, but convincing consumers is another. The drinks industry reckons at least eight or nine out of 10 new drinks fail, although it believes the hit rate is rising as it learns more about consumers. All executives have their favourite flop story, though, to spur them on.

For Mr Steve Wilson, director of international brand development at GrandMet's IDV drinks arm, it is Slowboat. Launched in the early 1980s, the banana-flavoured spirit was "a most hideous concept and a most hideous liquid". When he runs into the occasional bottle still languishing in a dark corner, he says: "It's a big and fair issue for

them to put on the table," says Mr McBride. Bass calls Hooper's Hooch an alcoholic lemonade but says it is designed for adults and "real" lemonade is a traditional English adult drink.

"We have our own strict guidelines on brands," says Mr Andy Neal, UK marketing director of United Distillers.

Another spirits executive adds: "These new products will be massively cannibalistic of others."

The goal for him, however, is to increase spirits consumption at the expense of beer and wine. Having got young adults interested in spirits, it might be possible to graduate them gently to ones with more sophisticated tastes.

Those who wince at the thought of ingesting cola, soda or lemonade, however hardened by alcohol, may prefer to stay with their traditional spirits and liqueurs. But even these are being subjected to "new product development". GrandMet, for example, has unveiled Godet, a white Belgian chocolate liqueur which uses "ground-breaking technology" to keep the chocolate liquid. Guinness is launching the first black Scotch whisky (Loch Dhu) and the first blonde (Scotch Jackson's Row).

Clearing technological hurdles is one thing, but convincing consumers is another. The drinks industry reckons at least eight or nine out of 10 new drinks fail, although it believes the hit rate is rising as it learns more about consumers. All executives have their favourite flop story, though, to spur them on.

For Mr Steve

## MARKETS REPORT

## Dollar firmer

By Philip Gethin

The dollar yesterday enjoyed a pre-Christmas fillip, rising to its highest level in a month against the yen.

Although many analysts are bullish about the dollar's prospects against the yen in 1996, little significance was attached to the move which came amid very thin volumes, and was not in response to any change in the underlying fundamentals.

Most London trading desks were abandoned after lunch, although some cover was maintained until later in order to take account of the more sober habits of the New York market (although afternoon markets in New York are anyway something of a liquidity graveyard).

The dollar rose as high as Y102.30, before slipping to close in London at Y102.5, from Y101.85 on Thursday. Against the D-Mark it finished

unchanged at DM1.4402.

There was little movement in European rates, with the D-Mark finishing at FF13.431 from FF13.430.

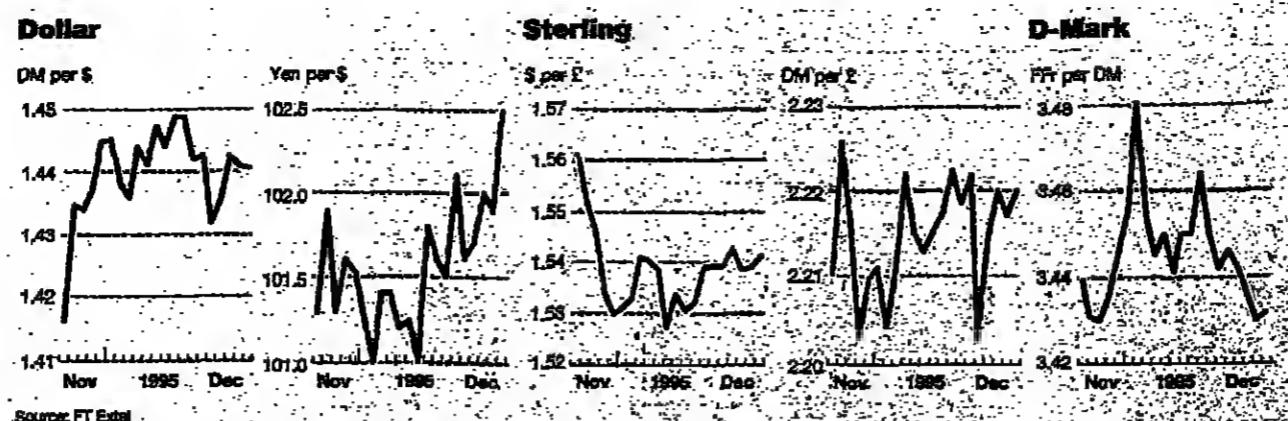
Sterling finished the day slightly firmer, with the trade weighted index closing at 83, from 82.8. Against the dollar it closed at \$1.5415, from \$1.5391, while against the D-Mark it closed at DM2.22, from DM2.165.

**■ POUND IN NEW YORK**

Dec 22	Latest	Prev. close
1 day	1.5391	1.5380
1 week	1.5400	1.5398
1 month	1.5400	1.5398
1 year	1.5308	1.5290

**■ TALK ABOUT A BUDGET DEAL**

gave the dollar some underlying support. "The market wants to believe there will be a deal," said Mr David Cocker, economist at Chemical Bank in London. He cautioned, however, that the dollar was vul-



nurable if no deal was struck before New Year.

Mr Avinash Persaud, currency strategist at JP Morgan in London, said: "The current valuations of US asset markets are built on a strong opinion about the Fed cutting rates again." He warned, though, that there was a "significant risk to all US asset markets and the dollar if a budget deal does not materialise."

No budget deal would probably be a blow to sentiment than a real economic threat, given the fairly healthy

state of US public finances compared to most G7 countries. It would provide the excuse, however, for selling on the part of those investors who have become frustrated at the Fed's inability to break decisively above DM1.45.

Mr Persaud said the performance of existing long dollar positions made it doubtful whether even a budget deal would give the dollar much upward momentum. "I am far from confident that a budget deal would push the dollar above DM1.45," he said.

The outlook against the yen is more encouraging. Mr Cocker said he remained "very firmly in the Y102 camp." Partly this reflects improved fundamentals - a shrinking trade gap, an improved growth outlook, and expectations that a recovery in the Nikkei Index will allow more Japanese investors to go offshore.

But it is also based on history. Mr Cocker notes that on the two occasions over the past 15 years when the dollar has rallied against the yen, it has risen by 40 yen. In both cases,

the rally was preceded by a five percentage point difference in short term interest rates - the case now.

According to this reasoning, the yen is only half way through its move, having rallied from a low of around Y80 in April. Mr Cocker said the full move could take as long as a year.

With volatility low, Mr Persaud said there was a tendency on the part of investors to search for yield, hence the firm showing in recent days of the lira, peseta and sterling.

## POUND SPOT FORWARD AGAINST THE POUND

Dec 22	Closing mid-point	Change on day	Bid/offer spread	Day's mid-high	Day's mid-low	One month Rate	Three months Rate	One year Rate	JP Morgan Index
<b>Europe</b>									
Austria (Sch) 15.6222	-0.0251	139.305	15.6673	15.6096	15.5787	3.3	15.5947	2.2	105.5
Belgium (BFR) 45.6284	-0.0073	823.740	45.9230	45.8210	45.8224	2.8	45.4344	2.2	108.0
Denmark (DKR) 6.0000	-0.0008	105.850	6.0000	6.0000	6.0000	0.0	5.9941	1.0	102.0
Finland (FFI) 7.1762	-0.0005	251.870	7.1762	7.1762	7.1762	0.0	7.1747	0.7	101.5
France (FFR) 7.8169	-0.0121	721.870	7.8117	7.8117	7.8117	0.0	7.8036	0.7	110.5
Germany (DEM) 2.2200	-0.0008	169.211	2.2200	2.2195	2.2195	2.5	2.2063	2.3	111.3
Greece (DEM) 0.5050	-0.0020	620.200	0.5050	0.5050	0.5050	0.0	0.5050	0.0	66.3
Ireland (IE) 0.9877	-0.0005	656.480	0.9867	0.9867	0.9867	0.0	0.9867	0.0	101.2
Italy (L) 11.8228	-0.0008	105.850	11.8228	11.8228	11.8228	0.0	11.8228	0.0	101.2
Luxembourg (LFR) 45.8200	-0.0079	823.740	45.8224	45.8224	45.8234	2.8	45.4344	2.2	108.0
Netherlands (FL) 2.4852	-0.0023	636.880	2.4852	2.4852	2.4852	2.8	2.4849	2.4	109.1
Norway (NOK) 9.7948	-0.0041	656.037	9.7915	9.7915	9.7915	1.2	8.8922	1.2	98.2
Portugal (PE) 232.236	-0.0407	121.471	232.217	232.217	232.217	-2.3	230.826	-2.3	95.1
Spain (PE) 169.001	-0.0337	845.155	188.498	187.740	188.498	-3.1	188.491	-3.1	102.0
Sweden (SEK) 11.8228	-0.0008	620.200	11.8228	11.8228	11.8228	0.0	11.8228	0.0	101.2
UK (P) 1.2097	-0.0024	680.104	1.2118	1.2072	1.2086	1.1	1.2065	1.1	1.1984
SDRT - 0.33564	-	-	-	-	-	-	-	-	-
<b>America</b>									
Argentina (Peso) 1.5413	-0.0025	407.418	1.5420	1.5371	1.5371	-0.9	1.5371	-1.0	85.5
Brazil (BRL) 1.4938	-0.0013	932.480	1.4943	1.4909	1.4909	-0.0	1.4909	-0.0	83.0
Canada (C) 2.1033	-0.0023	0.944	2.1054	2.0987	2.1016	0.8	2.1006	0.5	83.9
Mexico (New Peso) 11.6228	-0.0274	307.421	11.6729	11.6802	11.6729	-1.2	11.6729	-1.2	94.1
USA (S) 1.5145	-0.0024	410.420	1.5140	1.5180	1.5140	0.9	1.5180	0.8	108.8
<b>Pacific/Middle East/Africa</b>									
Australia (A\$) 2.0000	-0.0005	816.846	2.0047	2.0073	2.0085	-0.9	2.0083	-1.0	85.5
Hong Kong (HK\$) 11.9204	-0.0187	142.266	11.9273	11.9041	11.9133	0.7	11.9053	0.5	11.5768
India (INR) 53.9179	-0.0019	886.480	53.9470	53.8020	53.9470	-0.5	53.8020	-0.5	101.2
Israel (SHE) 4.8956	-0.0071	811.100	4.8951	4.8768	4.8951	-0.1	4.8768	-0.1	101.2
Japan (Y) 125.004	-1.25	978.132	125.8220	125.6110	125.169	6.3	125.6564	5.8	140.8
Malaysia (MR) 3.8124	-0.0037	103.144	3.8110	3.8050	3.8110	-0.1	3.8050	-0.1	101.2
New Zealand (NZD) 1.0000	-0.0024	620.200	1.0000	1.0000	1.0000	-0.5	1.0000	-0.5	101.2
Philippines (P) 40.4644	-0.1235	742.546	40.5994	40.3704	40.5994	-0.9	40.3704	-0.9	94.1
Saudi Arabia (SR) 5.7814	-0.0033	791.486	5.7838	5.7868	5.7838	-0.1	5.7868	-0.1	94.8
Singapore (S\$) 2.1828	-0.0062	813.842	2.1860	2.1782	2.1860	-0.2	2.1782	-0.2	94.1
South Africa (R) 5.8442	-0.0074	401.401	5.8498	5.8580	5.8498	-0.1	5.8580	-0.1	94.1
South Korea (Won) 1181.04	-0.22	958.150	1191.65	1188.41	1181.04	-0.1	1188.41	-0.1	101.2
Taiwan (NT\$) 28.869	-0.0024	100.747	28.870	28.870	28.870	-0.1	28.870	-0.1	101.2
Thailand (Baht) 36.8165	-0.0771	870.420	36.8460	36.7420	36.8460	-0.1	36.7420	-0.1	94.1
<b>1. SWISS FRANC FUTURES (MM) DM 125,000 per DM</b>									
Open	Latest	Change	High	Low	Est. vol	Open Int.			
Mar 0.6961	0.6958	-0.0022	0.6961	0.6947	7,950	48,385			
Jun 0.6965	0.6962	-0.0023	0.6965	0.6955	4,282	6,282			
Sep 0.7018	0.7018	-0.0019	0.7018	0.7018	2	1,065			
<b>II SWISS FRANC FUTURES (MM) SF 125,000 per SF</b>									
Mar 0.5713	0.5671	-0.0042	0.5713	0.5650	4,628	32,869			
Jun 0.5753	0.5730	-0.0022	0.5753	0.5730	35	5,977			
Sep 0.5815	0.5805	-0.0047	0.5815	0.5785	1	977			
<b>III JAPANESE YEN FUTURES (MM) Yen 125.00 per Yen 100</b>									
Open	Latest	Change	High	Low	Est. vol	Open Int.			
Mar 0.9941	0.9858	-0.0076	0.9941	0.9848	7,130	56,829			

# Weekend FT



## Miracle cures for the modern age

Nicholas Woodsworth weighs his doubts against the hope and joy he finds amid the suffering at the holy shrine of Lourdes

I met the bishop of Lourdes at tea-time in a room filled with a discreet clinking of cups and the kind of gravitas that only 150 bishops gathered together can produce. I had never seen so much black cloth, so many large silver crosses hanging on so many distinguished chests.

The sight alone set the needles on my inner doubt meter quivering. Having grown up in conservative church schools, I could look on an annual conference of French bishops only as an establishment assembly, a convocation of the same stern powers that used to decide my daily, and not always joyful, existence.

Of the church's more exalted role - earthly representation of a divine power - I remained unconvinced. I had come to Lourdes not to observe church politics but something simpler, and, at the same time far more complex, spiritual faith. But if I was expecting ideological confrontation, the bishop, Mgr Jean Sabineau, was wholly disarming in his equanimity, his refusal to pronounce any sort of dogma.

As the new millennium approaches, I lamented as we talked that the world seemed more insecure than ever before. Most of its inhabitants found it hard to believe in the political systems, economies and social arrangements that were, visibly, collapsing around them.

But nothing in this age of doubt, I added, seemed to me more difficult to believe in than an invisible, all-powerful and loving God. We could all do with a few miracles these days. None took place. Yet vast and growing numbers of people continued to make the pilgrimage to Lourdes, the home of modern Christian miracles.

"I ask myself the same question constantly," the bishop replied. "More than 5m people come to Lourdes every year from 150 countries. About 15m are on organised, official pilgrimages. Others are practising Christians. But more than 3m profess no faith at all. So why do they bother to come so far to a place where, in theory, they have no business?"

"I think our age is looking for God more than ever before without knowing it. God we are looking for. I am not against science - it has many uses. But our age has lost its reason for living, and we are trying to find it. With all the world's problems, it seems ridiculous to talk of hope, but people find it here. It is real. Not only hope but miracles."

too. Miracles happen at Lourdes all the time."

What was the bishop talking about. I wondered as I walked out of the conference centre and into the Pyrenean winter evening that was falling fast over the shrine of Our Lady of Lourdes. Since 1858, just 5% of an estimated 2,500 medically inexplicable cures that have taken place at Lourdes have been recognised officially by the Roman Catholic Church as "miraculous". Sudden cures from cancers, multiple sclerosis, blindness and many other diseases have provoked emo-

tion ranging from awe to cynical disbelief.

Mind you, the rate of such miraculous cures has slowed dramatically. Fewer than 20 have occurred in the past 50 years, and not one since 1976. Were the bishop's words about hope and everyday miracles simply tea-time platitudes?

But there was just one person there on this icy night, an elderly woman, with skirts rucked up and bathing her badly varicosed legs in the cold water, while murmuring prayers.

Nor were there many pilgrims at the Grotto itself, the shallow cave where, in 1858, a poor and asthmatic village girl named Bernadette Soubirous was said to have had visions of the Virgin Mary at 18 separate occasions. It was at the Grotto, too, within days of the first apparition, that the first miraculous cure took place.

The hanging crutches, the statue of the Virgin in the rock, the wild rose bushes and vines, the great burning candleabra - all make for a peculiar atmosphere. What impressed me most, though, was the rock itself, worn smooth and soft where millions of searching hands have passed over it.

I watched a Spanish woman in the sick - the invalids, wheelchair-cases and the dying - who, housed and fed free of charge by volunteer workers at the shrine's hospices, come to receive the special "blessing of the sick". But on this cold, misty evening, lit by a rising moon and scented by burning leaves, the shrine seemed almost deserted.

I crossed the river and made my way to the basilica's marble-lined crypt, a place reserved - according to a sign outside - for "silent adoration". I wanted a quiet place to sit and think.

Instead, I found myself watching the desperation of a young mother and her baby. I do not know what was wrong

with the infant, wrapped heavily against the cold when she placed it at the base of the crypt's altar. It lay there silently, gazing up unblinking at the statue of the Madonna and child behind the altar. But my attention became fixed on the woman herself.

No sooner had she sunk to her knees and begun praying than her whole frame heaved with great sobs and paroxysms of grief. Eventually, rising and lifting the child to the stone Virgin, she passed her hand repeatedly from the base of the statue to her baby's forehead, as if trying to transfer something from one to the other.

Of those few people sitting in the pews of the crypt, all of us, I could see, felt our hearts wracked.

Outside, I walked through the gloom towards a great glow of candles. Thousands of them burn through the night past the taps that dispense the Lourdes spring water thought by so many pilgrims to possess miraculous qualities.

But there was just one person there on this icy night, an elderly woman, with skirts rucked up and bathing her badly varicosed legs in the cold water, while murmuring prayers.

Nor were there many pilgrims at the Grotto itself, the shallow cave where, in 1858, a poor and asthmatic village girl named Bernadette Soubirous was said to have had visions of the Virgin Mary at 18 separate occasions. It was at the Grotto, too, within days of the first apparition, that the first miraculous cure took place.

The hanging crutches, the statue of the Virgin in the rock, the wild rose bushes and vines, the great burning candleabra - all make for a peculiar atmosphere. What impressed me most, though, was the rock itself, worn smooth and soft where millions of searching hands have passed over it.

I watched a Spanish woman in the sick - the invalids, wheelchair-cases and the dying - who, housed and fed free of charge by volunteer workers at the shrine's hospices, come to receive the special "blessing of the sick". But on this cold, misty evening, lit by a rising moon and scented by burning leaves, the shrine seemed almost deserted.

I crossed the river and made my way to the basilica's marble-lined crypt, a place reserved - according to a sign outside - for "silent adoration". I wanted a quiet place to sit and think.

Instead, I found myself watching the desperation of a young mother and her baby. I do not know what was wrong

with them. They are unhappy. You could not tell them that anywhere else, but here it filters in all by itself. Anyons, believers or non-believers; can then begin to share their life and love. That is one of the miracles of Lourdes."

I left Poole thinking that I had a better idea of what the bishop had been talking about. And thinking, too, of my own reactions to those unhappy people I had seen the night before. I doubted I would ever run across a miracle in Lourdes or anywhere else. One need not go far at all in the world, however, to bump into suffering.

□ □ □

"People get some new sense of life in Lourdes," he went on. "It seems most of us need to get away from our own environment periodically. At home, we often feel stuck. We are aware we are not as we could be. We are not growing. I am not happy, I am not free. I am sad, I am depressed. These are the words I hear most often in the confessional. People are looking for a better way of living."

What, I asked, made any difference at Lourdes?

"At any given time, there are a couple of hundred people here on stretchers, desperately sick," Poole said. "Yet there is

I doubted I would ever run across a miracle. But one need not go far at all to bump into suffering.

hope, faith, even joy on their faces, and a wonderful attractiveness from those who are helping them. When ordinary people see this they are deeply affected.

"Something happens - a chemical reaction. These scenes act as a catalyst even for people who have never even heard of Saint Bernadette. Often, it is nothing more than simple self-interest: seeing others suffering makes us think of our own lives. This is not compassion, but it is a starting point of growth."

"People who are self-centred begin recognising that this is their problem: surrounded by pain and extraordinary kindness, they realise they have been so wrapped up in them.

not one said it was the phenomenon of the medically inexplicable that counted most in Lourdes.

My favourite couple, though, were Siva and Amuthi Sutendra - Tamils from the violence-torn Sri Lankan city of Jaffna. Today, they have found new lives in - of all places - Yelawalimtha, a small town in Canada's far north-west. The Sutendras are not Christians but Hindus, belonging to the mother-goddess cult of Sakthi.

"All holy mothers are manifestations of the same spirit,"

Siva said as he stood by the statue of the Virgin at the conclusion of a Grotto mass. "We are all their children - why should we seek them out only when we are sick? We received the call to come. We think it is a miracle just being here."

When I thought of the oddness of their lives - fighting and death in Jaffna, the solitude of Hindus in the frozen wastes of Canada, the remarkable beliefs that had brought them and many others to Lourdes - I tended to think they were right.

### CONTENTS



Short story: By Booker prize nominee Justin Cartwright

How to Spend It: Last-minute gifts, secret scents, and anything red

Gardening: Meet the Pipe-Ban family

Food and drink: Top champagnes, caviar and the finest fast food



The Nativity: The Dean of Salisbury on the truth of Christmas

Skiing: What type of skier are you?

Weekend Investor: Barry Riley on the year in 11 Downing St

Arts

Arts Guide

Books

Bridge, Chess, Crossword

Finance

Food & Drink

Gardening

How To Spend It

Motoring

Perspectives

Property

Science

Small Businesses

Sport

Travel

Aquascutum  
OF LONDON

WINTER  
SALE  
STARTS  
27TH DECEMBER

UP TO 50% OFF  
ORIGINAL PRICES

100 Regent Street, London W1A 2AQ. 0171 734 6090.  
9-13 Brompton Road, Knightsbridge SW3 1ED. 0171 581 4444.  
38 Park Lane, Meadowhall Centre, Sheffield S9 1HL. 0114 256 9454  
24 St Ann's Square, Manchester M2 7JB. 0161 834 5617

## PERSPECTIVES



James Morgan

## They do have ways of making you laugh

Germany does have its heroes of comedy. It's just that most people haven't heard of them

Each country has its images. Around 100 years ago those of Germany were of eccentric professors, good cheer and Christmas. Jolly, and yet wit and humour were never seen as a German characteristic.

One of the funniest tales in *Three Men in a Boat* tells of a hoax perpetrated at a fine party by two young men who convinced the guests that Herr Slossen Boschen, the German singer, who was about to entertain them, was a master of the German comic song.

The young men said "that he was so intensely serious all through it that you might think he was reciting a tragedy and that, of

course, made it all the funnier". They said he never once suggested by his tone or manner that he was singing anything funny - "that would spoil it".

So the guests smirked and tit-ted their way through what was in reality a dirge of death and broken hearts. The singer was mortally offended and left, cursing the English. But this story coincided with the birth of what one might call the golden age of the German comic poet.

The first of the three pillars of what I like to think of as the German national wit and joke group was Christian Morgenstern (born 1871). Here is a line which could be from a comic song: "Ein Kindlein

im Windlein heut mach es noch ins Bindlein..." It sounds like Schnbert but in fact tells of a baby singing its happy, yet again.

Morgenstern and his colleagues, Eugen Roth and Joachim Ringelnatz, variously turned out hitting, gentle or black verse. They were born within a quarter of a century of each other but died far apart - Morgenstern at the outbreak of the first world war, Ringelnatz in 1934, while Roth carried on until 1976. He survived the Third Reich even though he shared with his peers what the critics called a melancholy and cynical wit.

Roth avoided trouble (the others were banned) because his subject matter was the trivia of everyday

life. He wrote hundreds of poems under the rubric *Ein Mensch* - which translates inadequately as A Man. This man is the model for many of the comic characters of the 20th century, the one who gets it all wrong, or right at the wrong time, the poseur caught out. He is Charlie Chaplin or Tony Hancock. Here, he is 'The Connoisseur (my own translation):

*A man sits proud, programme to hand,  
At a concert of the better kind.  
He feels himself among his peers,  
Their smiles show he's accepted  
there.  
Music sounds around the hall.  
He's deep in thought, to art in thrall.  
The last notes of the music sound*

*He claps so loud, his joy unbound.  
He speaks, while gazing at the ceiling.  
Of jugues and of his deepest feeling.  
He sights out loud to make his mark.  
Quite heavenly, this marvellous  
Bach!  
But his neighbour grins in a nasty  
way.  
Your programme is from yesterday.*

*And so he learns that he's just heard  
A movement of Herr Brückner's  
Third.*

Ringelnatz is the master of the gallows. Among his bleaker works is a grim little tale from 1921 called *The Gossip in the Public Convenience in Schellingstrasse*. (The illustration has two men reliving

themselves.) The first stanza runs: *Today there was a collection in the block where I live.  
For the wife of someone who'd  
strung himself up.  
And everyone put in the cup  
Three marks. It's what we always  
give.*

*No one need know where I got the  
money.  
In fact I'd stolen it from mummy.*

The poem is a demotic account of the life of someone earning too little to feed his family at a time of endemic poverty. A Christmas carol without sentiment or happy ending.

The three seem have left in poetic tradition (Günter Grass transferred it to prose.) Ringelnatz

was clearly a part of the world inhabited by Kurt Weill and Lotte Lenya.

Both could have written marvellous sitcoms for television, but the genre is not exactly hospitable to invention and wit. Morgenstern's tale of how only a knee survived when a soldier was shot to pieces, or how the past and present tenses had a drink together and humped into the future, might have created a German *Monty Python*.

But nothing remains and when I mention these heroes to Germans they seem nonplussed. They have convinced themselves they cannot entertain. A pity.

■ James Morgan is economics correspondent for the BBC World Service



An eye for detail: a Goddard & Gibbs artist works on a stained glass window

## Minding Your Own Business

## Piecing together the puzzle

From small fragments great glass windows grow. Grania Langdon-Down reports

**I**n the basement of Goddard & Gibbs' studios lie the remains of the stained glass windows from London's Baltic Exchange, blown to pieces by an IRA terrorist bomb in 1992.

The staff of the UK's largest stained glass studios are now starting to photograph and document the pieces to see if it will be feasible to restore the windows.

The task of piecing together the fragments may prove as arduous as the struggle to keep the business in one piece since a management buy-out five years ago.

Since the team of directors bought Goddard & Gibbs, which has been based in Shoreditch, east London, since 1888, they had to fight all the way.

Orders for next year may now be topping £1m: the ground floor of the studios may be packed with huge

richly decorated glass panels for a new hotel in Oman and in October, they won universal praise for their new window for Westminster Abbey, which was unveiled by the Queen.

But Neil Maurer, managing director, says without hesitation: "If we could turn the clock back, would we have bought the company when we did in 1990? No, absolutely not."

In 1989, sales of stained glass windows, secular and ecclesiastical, new and restoration work, were running at £1.7m. Exports, particularly to the Middle East, had reached £879,756, £15,000 more than the US sales of £864,321.

They were exciting times. Maurer, who joined the company in 1978 as works manager, had risen to managing director.

His dream was to put together a management team to buy the business from the owner Charles Clark, who had always said he wanted to sell and retire at 60.

Maurer recalled: "In the late 1980s, it seemed nothing could go wrong. But the timing could not have been worse. Within six months of the MBO going through, the UK was in deep recession, the Gulf War started and a large part of our export market just evaporated.

Added to that, the value of the building when we bought the company was put at £623,000. Today, the property

which is our main asset on the balance sheet, is valued at only £250,000."

The MBO team had raised £190,000 between them and borrowed £90,000 from Barclays Bank.

John Lawson, the studio's chief artist, and Philip Broom, works manager, put in £10,000 each to become minority shareholders. A further £60,000 was invested by Sulaiman Al Zamil, whose family runs the Al Zamil industrial group. He and Goddard & Gibbs have run a joint venture to Saudi Arabia since 1989.

Since then, two of the original MBO team have been bought out, leaving Maurer, 47, who raised £60,000, partly through re-mortgaging his Essex home, and Christopher Borst, 35, who put in £40,000. They hold 32 per cent and 21 per cent of the shares respectively, giving them overall control.

One of the first steps the team had to take was to sell the subsidiary company Stained Glass Supplies. That meant closing premises in Thornbury, near Bristol, and Bingley, in Yorkshire, and laying off about 25 employees.

During the first years after the MBO, the company also had to cut staff from 45 to 32 and monitor every single expenditure, from telephone calls to toilet paper. Sales went down every year from the 1989 peak to their lowest point of

£10,000 in 1993.

Maurer explained: "We just did not spend money. We did not do any marketing or produce any new literature."

"Our product is very colourful and it needs to be illustrated. But we were in the situation that you need to market the product to get the business but we could not afford the marketing."

"In 1991, the bank insisted on

Ironically, a flood of orders has produced new problems concerning the company's capitalisation and trading

the building being revalued. The amount had reduced which meant our security for the loan was no longer there. Life got very difficult for a couple of weeks.

"We went to the venture capitalists, investors in Industry (31), for help and they now own 36 per cent of the shares after putting in a total of £320,000. split between a loan, preference shares and equity investment."

In 1993, they knew they had

to market themselves properly again, whatever the cost. "We had been asset stripping to make sure the company survived and there was nothing left," Maurer said.

"So we started marketing again and picked up some nice orders. We targeted for £1.25m this year but the final figure will be over that."

It has taken five years to bring the company back into profit - expected to be about £20,000 this year on sales of £1.4m. Next year we are hoping for a "respectable" increase in profits on turnover of £1.6m. Export now account for 70 per cent of sales.

Ironically, however, the flood of orders has produced new problems. "The bank has told us that we are under-capitalised and over-trading and we must turn orders down," said Maurer.

"The bank's loan is down from £300,000 to £200,000, but they have said 'no more' and insisted we seek funding from other sources. We are doing that but we do not yet know what the outcome will be."

This difficulty is the result of the company needing a 25 per cent advance payment on each order to run the business. But it cannot get them unless it offers clients security in the form of a bank guarantee.

"A large property company in south-east Asia, for example, is not going to give a small business in the east end of

London money without security."

"But the bank has put an overall limit of £100,000 on the guarantees it will give. So we are having to ask some of our customers just to trust us."

It has taken five years to bring the company back into profit - expected to be about £20,000 this year on sales of £1.4m. Next year we are hoping for a "respectable" increase in profits on turnover of £1.6m. Export now account for 70 per cent of sales.

In spite of the troubled start, Maurer, who is married with two teenage children, is glad to take the opportunity offered by the MBO team was too good to miss, especially as his grandfather had left him money to buy into a business.

He travels abroad for about two months a year as director responsible for export sales. "Even though we were buying into a company with a name and reputation going back more than 100 years, circumstances meant it has been as difficult as trying to start up a new company."

"A large property company in south-east Asia, for example, is not going to give a small business in the east end of

London

money without security."

"But the bank has put an

overall limit of £100,000 on the

guarantees it will give. So we are having to ask some of our

customers just to trust us."

It has taken five years to bring the company back into profit - expected to be about £20,000 this year on sales of £1.4m. Next year we are hoping for a "respectable" increase in profits on turnover of £1.6m. Export now account for 70 per cent of sales.

In spite of the troubled start,

blauer, who is married with

two teenage children, is glad

to take the opportunity offered

by the MBO team was too

good to miss, especially as his

grandfather had left him

money to buy into a business.

He travels abroad for about

two months a year as director

responsible for export sales.

"Even though we were

buying into a company with a

name and reputation going

back more than 100 years,

circumstances meant it has

been as difficult as trying to

start up a new company."

"A large property company in

south-east Asia, for example,

is not going to give a small

business in the east end of

London

money without security."

"But the bank has put an

overall limit of £100,000 on the

guarantees it will give. So we are having to ask some of our

customers just to trust us."

It has taken five years to bring the company back into profit - expected to be about £20,000 this year on sales of £1.4m. Next year we are hoping for a "respectable" increase in profits on turnover of £1.6m. Export now account for 70 per cent of sales.

In spite of the troubled start,

blauer, who is married with

two teenage children, is glad

to take the opportunity offered

by the MBO team was too

good to miss, especially as his

grandfather had left him

money to buy into a business.

He travels abroad for about

two months a year as director

responsible for export sales.

"Even though we were

buying into a company with a

name and reputation going

back more than 100 years,

circumstances meant it has

been as difficult as trying to

start up a new company."

"A large property company in

south-east Asia, for example,

is not going to give a small

business in the east end of

London

money without security."

"But the bank has put an

## PERSPECTIVES

## Short Story

# Great expectations from across the years

Justin Cartwright, a nominee for this year's Booker Prize, takes us into the depths of London's Soho on Christmas Eve for a chance meeting that proves deeply disturbing to one family man

**I**t is Christmas Eve. The air is thick with expectation, and dread. Christmas, let's face it, is a somewhat ambivalent time.

A man with a sort of bushy explorer's beard, is standing outside the Bar Italia in Frith Street. He is inspecting a pile of empty wine bottles, looking to see if anything has been missed. The street is surprisingly empty, apart from some Italian waiters who are admiring a Ferrari. They are calculating how many *stremisus* you would have to sell in order to be able to buy a car like this.

Up at the top of Frith Street, Soho Square is dark, as though the bright street ends in a void. From the other direction, carrying a large bag of toys from Hamley's and some other presents, comes an elegant man. He is walking like a ballerina, little steps; toes turned inward, rather stiff-legged, because his expensive shoes are not gripping the shabby pavement too well.

He wears one of those overcoats that can be bought in Jermyn Street, tapered at the waist, pockets on the slant, with a large buttonhole that is made to be used. His hair has reached a state of stasis, after years of sculpting by the same barber. It rests, on his head, confidently, with small wings, like those on Mercury's boots, above the ears.

The presents he is carrying are expensively wrapped. (There is a lot of difference between presents which have been unevenly Sellotaped and rather slackly tied at home, and presents that have been tied by an expert.)

Meanwhile, the tramp - we now know many of them are schizophrenics - is draining the remains of a South African wine of coastal origin. The fact is, he doesn't give a damn about provenance. He is no wine snob. He moves on to the remains of an Australian wine, Wynn's Coonawarra.

As the man with the presents reaches the Bar Italia, he glances in at the cheerful scene inside: a woman with strong forearms is grappling with the espresso machine, from the roof hang boxes of Christmas cake in gold and blue with antique motifs. There are plenty of boxes left. Italians seldom buy this cake; its purpose is largely decorative.

Indeed, the bar is Christmassy in an Italian sort of way. Some of the customers look as though they have no homes to go to, and the rest look as though they are delaying going home, perhaps fearful of gorging prematurely on familial sentiment.

On a huge television screen at the far end of the bar, a choir of former miners is singing Christmas carols. They sing in that pained and joyless way they have, bulky men pressed up against each other, as though they are standing in the cage at the pithead. But the lamps on their helmets are a nice touch.

The man with the presents pauses. He is making a quick calculation about how much time he has, whether he has enough to get to his flat, pack the presents and take a cab to the airport for his flight. Of course he has plenty of time.

The man with the presents goes in and orders a cappuccino, without chocolate. He knows, because he travels widely, that the dusting of cocoa powder is a tourist thing. He puts the presents on a counter. He watches as Orella, the customers call her by name - pulls down the lever and animates the milk.

The tramp appears at the plate glass window of the bar, above the iced mozzarella and tomato ciabatta rolls. His face

is so dirty, with the sort of dirt that cannot be acquired easily, that he looks as though he is wearing make-up, say for an amateur production of the *Pratesi* of *Penzance*. His hair would be just about right, too.

The mining choir is singing sweetly in the background. The tramp suddenly points through the window at the man with the presents and shouts. It is impossible to hear what he is saying over the sound of *Silent Night* in Welsh. The man with the presents is reluctant to accept that the tramp is pointing at him.

He looks around the bar, a tolerant smile on his face - it is Christmas Eve after all - to see who the object of the tramp's attention might be. Apparently it is him. The tramp comes into the bar. He

is in a hurry. He does not want to catch up on what has happened to Moulton since 1989, even if it is Christmas. Nor does he want to offer to buy him a drink, both because he fears where this would lead and because Moulton might imagine that he thinks he has no other interests in life.

But the tricky problem does not arise. Moulton explains that he has left his wallet in his trousers (which he calls "bags") at the dry cleaners and would Arnott buy him a drink.

"Don't sit on your hands," he jokes as Julian tries to attract the attention of a waiter.

The only drinks they sell are Italian beer and ready-mixed Campari and soda. Moulton orders one of each. He drinks them down with indifference in two or three gulps and beckons the waiter.

"Same again, compadre. Same all round. My man is holding the bread."

Julian watches Moulton with horror. He is seized by indecision, something which, in financial derivatives, he has conquered completely.

"Blind Faith. Supergroup or what, man?" Ginger Baker, Stevie Winwood, Eric Clapton.

"Moulton, are you all right?" It is one of the most stupid

He had certainly vanished entirely from Julian's memory until a few moments ago...

remarks Julian has made in many years.

The Welsh miners are singing *Abide With Me*. Nobody to the bar is paying any attention to Moulton. In Soho, he realises that this wild man, this drug-shoving tramp, is a schoolmate. In fact, Julian was his tag.

"Are you Moulton?" he asks. "Being a little cheeky, aren't we?" asks the tramp. "Just a little cocky in our groovy new suit?"

"Moulton. My God! What the hell's happened to you?"

"I'm having a year out before going up to Oxford. I am thinking of doing voluntary service in Tanganyika. I've called Tanzania now, by the way."

Trevross Moulton was one of the boys destined to go to Oxford. Now Julian remembers that there were some rumours about Moulton soon after he left school. It was said he had had a breakdown. Then he vanished.

He had certainly vanished entirely from Julian's memory until a few moments ago, although he had been very

His hands are like a tortoise's neck, but tinged at the same time with saffron. His face, in the neon light, looks salivous, like a bruise which is in the last stages of healing. He coughs continually. It is a distressing sound, parched and faint-like.

As Moulton turns to look for the waiter, to renew his order, Julian sees a scar which shakes from behind his right ear up into Moulton's tangled hair. He wonders how he can get away. Meeting Moulton has had an unsettling effect on him, as though it is Julian, who has missed something by forgetting him so completely.

Despite the ochre skin and enormous beard, he can now see clearly the outline of the 18-year-old Moulton. He wonders what terrible accident or operation caused that scar.



"Where did you see Blind

Faith?" Julian asks.

"In the park, man."

"When?"

"When? Like the other day."

"Man?" Moulton is tolerant.

"And Jimi Hendrix. He've

you seen him?"

"Sure. The man's a god."

Moulton seems serene. His

only problem is that he has

taken no notice of anything

that has happened since 1989.

In a sense, Julian realises, that

is more of a problem for others

than for him. Julian feels now

as if he is waiting for instructions. Moulton liked his toast cut thick, with grapefruit marmalade. And his football boots had to have very clean laces.

In fact, Moulton made a

large contribution to the

measles Julian feels about

life in Britain. Unwanted fears,

above all the fear of Moulton's

wrath when - say - his toast

was too brown, or too light, or

too dry, crept up on Julian. He

feels enervated, helpless.

Moulton sticks in the pocket of

his lumberjack shirt carelessly.

"What are you doing for

Christmas?" Julian asks.

Moulton gulps the last of the

beer.

"Family. The old folks."

Moulton seems serene. His

only problem is that he has

taken no notice of anything

that has happened since 1989.

In a sense, Julian realises, that

is more of a problem for others

than for him. Julian feels now

as if he is waiting for instructions.

"Terminal Four," says Julian.

"Right-o Gw." The cab rum-

bles into action.

"Happier times. How can you

be sure? Certainly for Julian

they were not happier times;

Moulton made his life miser-

able. He might be able to do it

again, the spectre at the feast.

He might remind Julian of his

former self, now deeply buried.

And God knows, he would star-

ve the children.

"What a bleeding carry-on.

"Christmas, eh?" says the

driver.

"He's the old sort of

philosopher-cabby in a flat cap

and muller.

touched Moulton.

"Look, Moulton, I hope you

will excuse me, but I have to

go now."

"No sweat. I'll be down for

the fourth and see you then,

man."

"Goodbye Moulton. Lovely to

see you again. Happy Christ-

mas."

Moulton shrugs: his shrug

says it is going to be hard

under the circumstances.

Julian gathers up the pre-

nts.

"Have a cool yule," says

Julian.

Julian leaves the Bar Italia.

He looks back. A waiter is

ushering Moulton gently but

firmly out on to the street.

Moulton catches his look and

waves. A few, unconvincing

snowflakes are falling as Julian steps carefully away.

On Shaftesbury Avenue, a

taxi comes by, light cheddar

yellow in the deepening even-

ing gloom. Julian hails it.

Inside, in the boxy, solid inter-

ior - so different from the

anarchic, disintegrating cabs of

Manhattan - he has a painful

thought: perhaps he should do

something for Moulton.

"Have a cool yule," says

Julian.

Julian leaves the Bar Italia.

He looks back. A waiter is

ushering Moulton gently but

firmly out on to the street.

Moulton catches his look and

waves. A few, unconvincing

snowflakes are falling as Julian

steps carefully away.

"What a bleeding carry-on.

"Christmas, eh?" says the

driver.

"He's the old sort of

philosopher-cabby in a flat cap

and muller.

Julian gives him a 20, which

is the first time he has ever

**Soldiers are there when you need them...**

**Please be there when they need you**

## TRAVEL

# The last place on earth you'd want to live

Michael Shaw Bond visits the Russian Arctic

**I**t is easy, surrounded by the blooms of a Siberian Arctic summer, to forget about the cruelty of Arctic winters.

In summer the nights are as bright as the days and the tundra is full of life. In winter, there is total darkness for months, and temperatures fall below -50°C.

The people who endure such extremes fall into two categories: those who choose to do so, and those who have no choice. Petr Mihailovich belongs to the former. He is a member of the Dolgan tribe, indigenous reindeer herders who have lived on the tundra for centuries.

Many Dolgans were settled in state villages during the Soviet days but Petr and his family live the same nomadic life as generations before them, migrating between the northern fringes of the taiga forest and the Arctic coast in search of food for themselves and their animals.

Petr is small and tanned with an intensely weathered skin. He is 55, the senior man of his family, and has chosen to spend this particular summer on the edge of a large lake on the Taimyr peninsula. It is a familiar camping ground. There is grass for his 100 reindeer and fish for his family.

Yet it is difficult to leave.

The Dolgans are as much a part of the northern Siberian landscape as the Arctic foxes and the birds which fly thousands of miles each year from western Europe to breed there. The members of the other category of Arctic peoples are, however, strangely out of place and time. They are the Russians, the urbanites, brought in this century to exploit the region's vast reserves of oil and minerals or defend the northern frontiers.

Their towns and cities, such as Dickson and Norilsk, fit ill into the landscape, cut off from the rest of Russia without a single road or rail link. On the map they are isolated black dots in the midst of a great whiteness.

Dickson is perhaps the most northerly town in the world, a former military base in fast decline. Within the last five years the population has dropped from 5,000 to 3,000 and much of the place is decrepit. The streets are full of rubbish and broken army trucks, buildings crumble, the telephone exchange has been vandalised and abandoned and the town hall boarded up. As one resident remarked: "There is really no reason for normal people to live here."

The environmental group hopes that 50 per cent of the Russian Arctic will be under some form of protection eventually. For so long as Russia remains in need of hard currency this target appears optimistic, as Siberia contains some of the richest untapped deposits of minerals in the world.

But the conservation pro-

gramme has been remarkably successful and appears to be government-driven. Amirkhan Amirkhanov, Russia's deputy environment minister, said:

"We have a federal law governing these territories which will protect them once and for all. There will be no turning back."

There are stark reminders of what would happen if the programme failed. Norilsk, a mining town 200 miles south of Dickson, was built 50 years ago and is now the most polluted city in the world. The people live under a cloud of sulphur oxides and the trees for miles around are dead.

Of all Arctic lands those in Russia are the hardest to visit.

*Fishermen gather one of their staple foods from the rivers of the Arctic wilderness*

of the ocean. The vicinity is known as the ice factory of the Arctic. Sediments flushed upstream from the Siberian interior help form pack ice which drifts across the North Pole towards America. From the coastal town of Tiksi we took a helicopter westwards and visible from the air along the length of the Lena river was a line of small jagged hills, the first for many thousands of miles.

At Norilsk airport I am reminded of the wretchedness of imposed human settlement in the Arctic. During our three-hour wait not a single notice changes on the departures board. The times are seemingly welded there for eternity, in hope of flights that never take off.

One reads "1945", and I wonder if it refers to the year or the hour of departure. Certainly some of the waiting passengers look as if they have been there for years. One man is carried through the concourse laid flat on a stretcher. Among the women are many with hair tinted in bizarre colours - as if to brighten the gloom.

I felt privileged during my week-long trip in Siberia to experience days without nights, light without darkness, as if this scheme of things were some divine gift to this distant land. Yet it felt somehow incomplete, and I knew I was seeing the good without the bad.

To experience the bad I would have to stay for the winter, when I would see the cycle of the days stretched across the years - the summer one long day, the winter one long night.

For the Dolgans and the Russians of Dickson and Norilsk it is the cycle of their lives. It suits the Dolgans fine. Most Russians would rather be somewhere else.

*Michael Shaw Bond*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the ground north of Khatanga, the northern limit of the taiga forest, the tundra is soft and impressionistic, with gentle dips and swells, the footprints of the gods. Away from the mining centres it is unspoilt. The beauty is in the minutiae: the varied shades of green, the great flood, and across it twist great rivers which head north across the tundra towards the Arctic Ocean. Heading east in our ancient aircraft we cross*

*time zones hourly and without ceremony.*

*On the*



# Europe in remembrance of things past

The musical world spent 1995 looking back to the war, says Andrew Clark

It was a year of looking back, not in dreamy nostalgia but in a spirit of remembrance. Europe's cultural establishment marked the 50th anniversary of the end of the second world war by reflecting on pre-1945 dictatorship and postwar euphoria. The Bregenz festival summed up the mood with its theme *The Utopia of Freedom* – an apt memorial for the sufferings of war and the lost ideals of peace.

From Rostock to Rome, continental Europe was awash with performances of Britten's *War Requiem*. Michael Gielen and his South-West German Radio Orchestra went on tour with Zimmerman's *Requiem for a Young Poet*. Stuttgart commissioned a *Requiem of Reconciliation* from composers of 14 nations. The Holland festival premiered Theo Loevenie's opera about the Dutch resistance, and Salzburg's concerts of avant-garde music had a hard-hitting commemorative message about art and the abuse of power.

Hand-in-hand with these sombre reflections went the phenomenal growth of interest in music banned by the Nazis. The Prague Spring festival devoted a weekend to the Theresienstadt composers. The Czech Philharmonic unearthed Viktor Ullmann's brilliant *Cornel Rilke* setting, while Bielefeld and Zurich staged his operas. Leipzig gave the first complete performance of Erwin Schulhoff's *Die Flammen*, and the year ended with a powerful production of Berthold Goldschmidt's *Der gewaltige Fuhrei* in Bern. The music of Pavel Haas, Hans Krása and Erich Korngold also benefited.

Can degenerate art – as the Nazis called it – be divorced from its political context and, if so, what is its artistic value? Could the "lost" tonal music of the interwar years have sustained a viable challenge to the rising tide of serialism? It is impossible to tell. More than 50 years on, the jigsaw puzzle of mid-20th century musical history is still a jumble, but at least all the pieces are now on the table. The "degenerate" revival has made it clear that the biggest threat to artistic freedom is political authority. But it is not just the Nazis. What about now?

That question kept cropping up during the Hindemith centenary, because of his preoccupation with the artist's responsibility to society. Hindemith's standing is higher now than it was 12 months ago. He has had a good run of performances – the Berlin Philharmonic's tally of 19 chamber, orchestral and choral works was a remarkable tribute – and his music matches the conservative spirit of the day.

This was a useful centenary. It put Hindemith's achievement in perspective, showing that he remained true to his artistic conscience and to German tradition in a world of political and musical upheaval.

No country's cultural traditions were in greater flux in 1995 than those of the Czech Republic. Prague's two opera companies



Unforgettable: Herbert Wernicke's ironic production of 'Der Rosenkavalier' at Salzburg, with Ann Murray and Grant Murphy

underwent a change of leadership, but it made little difference: the survival of the Prague State Opera still hangs in the balance, while the National Theatre's new production of Smetana's *Libuše* – mounted on the anniversary of Prague's postwar liberation – proved a damp squib. There is no money and precious little nationalist spirit in the Czech Republic at the moment. The Prague Symphony Orchestra has joined the Czech Philharmonic in choosing a foreign chief conductor.

And an older generation of Czech musicians passed away: the deaths included Václav Neumann, Zdeněk Kosler and Karel Berman, all stalwarts of the postwar era.

A handful of beginnings pierced the year's retrospective mood. Give

or take a few hitches, Giorgio Vidussi achieved the apparently impossible by re-establishing the credibility of the Teatro dell'Opera in Rome. He out-maneuvred the unions and had some stirring artistic successes, notably *Benvenuto Cellini* and *Macbeth*. Chief strike victim in Italy is now La Scala, Milan: *La Traviata* and *Lucia di Lammermoor* were the principal casualties.

The other beginning was the rebirth of the Paris Opera under Hugues Gall. These are early days – Gall only took over formally in August – but already the Bastille is functioning with a will and a coherence it has not previously known. The Palais Garnier reopens in March. If Gall can hold his nerve

over the next few months, he will have pulled off a near-miraculous turnaround in the French capital's operatic fortunes.

Two other figures made an immediate impact on their surroundings. In Ireland, Luigi Ferrer brought a touch of class to Wexford and in Switzerland David Zinman dispelled the air of self-satisfaction at Zurich's Tonhalle Orchestra and injected a new sense of artistic verve.

In an indifferent year for musical Europe, there was still cause to celebrate some outstanding performances. The conductor who contributed most was Valery Gergiev, juggling the commercial and artistic needs of the Kirov Opera with single-minded

determination and giving inspired guest performances elsewhere.

The Vienna Philharmonic was also outstanding. It took Schnittke's *Gesualdo* under its wing as commanding as John Eliot Gardiner's interpretation of Haydn, and its Verdi, Brahms and Strauss at Salzburg demonstrated that a great orchestra is not a doormat for a conductor, but a partner in interpretation.

Among living composers, Schnittke took pride of place. True, illness prevented him from writing anything, but there was a string of premieres, and *Gesualdo* and *Faust* underlined the surreal power of his imagination.

The most memorable instrumental performances I heard came from

two Moscow-trained pianists, Elisabeth Leonskaja and Evgeny Kissin. Unaccountably overlooked in the English-speaking world, Leonskaja combines maturity, virtuosity and imagination. Her Brahms First Concerto at Stuttgart in March was commanding and big-boned but with a silken touch, and her Strauss *Burleske* at Lucerne had extraordinary panache.

The 24-year-old Kissin joined 75-year-old Isaac Stern in chamber music performances at the Verbier festival and displayed the kind of talent that comes once in a generation: quickness of spirit, dazzling assurance, lyrical spontaneity, precocious intelligence.

Harry Kupfer's Bregenz staging of Rimsky-Korsakov's *Kitezh* was one of two unforgettable opera productions I saw. Conducted by Vladimir Fedoseyev and sung by a Russian cast, it proved that a powerful drama lurks behind this neglected fairytale.

The other was Herbert Wernicke's ironic view of *Der Rosenkavalier* at Salzburg, flawlessly conducted by Lorin Maazel. The most enterprising company was the Netherlands Opera, which staged all four Schoenberg operas to general acclaim.

Among individual performances, it would be hard to beat Vladimir Galuzin's charismatic Grishka in the Bregenz *Kitezh* or Karita Mattila's electrifying Chrysanthemum in *Elektra* at the Salzburg Easter festival.

## Britpop, oldies and the not quite so fab four

Peter Aspden rounds up the pop and world music albums of the year

It was, of course, the year of that single: catchy, dynamic, with a searing Lemnonesque vocal and a strong middle eight. Unfortunately, for those besotted by the glories of the 1960s, "Roll With It" was not by the Beatles at all but by the moptop-inspired Oasis. Its fortuitous (or was it clever?) release on the same day as Blur's "Country House" awakened a nation whose pop sensibilities had been blunted by years of American-led dance, rap and heavy metal music.

While never quite the battle of the bands described in the more over-heated sections of the media, the Blur/Oasis rivalry dramatically focused attention on Britpop, which became the keynote of the year.

By the time the Beatles tried to join the fun in November with their mildly intriguing *Anthology I* and agonisingly limp "Free As A Bird", they sounded like old men trying to gatecrash a teenage party. Which is exactly what they are.

Both Blur and Oasis impressively showed they could follow up their successes of 1994 with highly polished albums. Blur's *The Great Escape* was lyrically the better of the two and showed a band becoming increasingly confident with the arts of arrangement. Oasis's (*What's the Story*) *Morning Glory?* was a high-quality, guitar-based thrash with some inspired hooks.

Britpop's other main player, Pulp, waited until the end of the year to unveil *Different Class*. It was more stylised than Blur or Oasis and darker

in hue, but essential listening. The cause of "pure pop for now people" was ably championed by Supergrass with *On*, which blended Björk-like leiegdom lyrics with Morrissey wryness to produce a captivating record. Björk also proved she had more than one good record in her with *Post*.

From the Bristol scene which gave us Massive Attack and Portishead came Tricky, whose *Maxinquaye* featured that characteristically seductive, soporific sound which doubtless makes a lot more sense when listened to in a chemically altered state of consciousness.

Also far from the melody-driven Britpop was Goldie's jungle tour da force, *Timeless*. This is decidedly not an album to sit down and listen to at once, but it is rhythmically edgy and full of ideas.

David McAlmont (described, none too flatteringly, as a "black camp Björk" in his publicity material) started the year with a promising debut album, and then teamed up with ex-Suede man Bernard Butler to produce the fascinating *The Sounds of McAlmont and Butler* and the unlikely hit single "Yes".

Unfortunately, they have since parted ways, but there should be some interesting developments from both men in 1996.

P.J. Harvey's *To Bring You My Love* was wonderfully weird and lyrically oblique, full of Nick Cave and Captain Beefheart references, but it also managed to be accessible in parts. Her live performances were frighteningly charismatic.

David Bowie reunited with Brian Eno to hit close to his best form on *Outside*.

*Joan* was not just unplugged acoustically but in urgent need of a battery recharge. A stripped down sound is all very well, but these mauldin tales of blue collar life have strictly limited appeal – which after all is why Bob Dylan went electric instead of becoming a new Woody Guthrie.

The artist who still refuses to be called Prince, on the other hand, just deserved to have the plugged pulled on him. *The Gold Experience*, with its frankly childish bump-and-grind blend of innuendo and ersatz passion, showed a complete lack of inspiration.

How curious that the most important pop artist of the 1980s should now sound more

dated than Herman's Hermits. Van Morrison sounded full of the joys and even ventured into his old territory of Celtic mysticism on *Days Like This*, before ending the year with *Georgia* and a sparkling live set from Ronnie Scott's, *How Long Has This Been Going On?*

World music became less a matter of digging up unrecognised artists from around the globe than mixing styles to produce fabulously eclectic sounds. Nitin Sawhney fused Asian marketplace with British jazz funk on *Migration*. Natacha Atlas, who guested on Sawhney's work, made her own solo album, *Diaspora*, with the help of her friends from Trans-Global Underground, and twinned the exotic, passionate vocals of Middle Eastern music with a good old bass-and-drum thump. Lee Negresses Vertes emerged from a period of *tristesse*, having lost their singer Helino Rota to a drug overdose, with the fine *Zig Zag*, full of stylish arrangements and fun.

Finally, the spirit of Band Aid lived on with the *Help* project, in which various artists were asked to contribute to a charity album which took just seven days to record, produce and distribute. There were notable efforts from Portishead, Neneh Cherry and Suede, and Paul Weller, who released the excellent *Stanley Road* earlier in the year, sounded as though he was in private fantasy land when he took the John Lennon part in "Come Together". All roads – long, winding or otherwise – seemed to lead to Lennon and McCartney in 1995.



Moptop-inspired: Oasis released the single of the year, "Roll With It"

100 in 150





BOOKS

# Money, sex, hype – and a move upmarket

Jackie Wullschlager looks back at a publishing year of record advances, deregulated prices and a bestseller list which featured Delia Smith and Jane Austen

**JANUARY.** First surprises of the year: two stunningly different novels by unknown authors. Jesuit Gaarder's story of philosophy, *Sophie's World* (Orion, £15.99), and Michael Ridpath's financial thriller *Free to Trade* (Heinemann, £9.99), shot into the bestseller lists. They mark a major battle for 1995: will publishers manage to make sophisticated, intellectual books break through to bestsellerdom, or will thrillers and money-and-hype win out?

**SOPHIE'S WORLD.** With its Alice-in-Wonderland strangeness mixed with impeccable political correctness (female philosophers, feminist teenagers taking on the boys), is an optimistic start for 1995's serious publishing. Other big-seller follow-ups: Graham Hancock's search for a lost civilisation, *Fingerprints of the Gods* (Heinemann, £16.99; 58,000 copies), Richard Dawkins' story of evolution *River out of Eden* (Weidenfeld, £9.99).

At the other extreme, the interest in *Free to Trade*, which agent Carole Blake found on her slush pile and sold for £250,000, suggests that money is to talk louder than ever in publishing: books are hyped according to the advances their authors receive, while the money markets – helped by the Barings scandal – just about to break – become a trendy subject...

**FEBRUARY.** The traditional dead time for books, after the Christmas binge, before the spring season. This is when canny publishers launch a good but offbeat title which picks up masses of publicity. This year, a superb example: James Boswell's *The Marriage of Likeness: Same-Sex Unions in Pre-Modern Europe* (HarperCollins, £20). Most idiosyncratic is the 81-year-old Countess of Ranfurly's maiden war diary *To War with Whitaker* (Mandarin, £5.99), a surprise bestseller (25,000 paperbacks, 20,000 audiocassettes).

Most controversial are two biographies revolving round blame and forgiveness: Gitta Sereny's brilliant *Albert Speer: His Battle with Truth* (Macmillan, £25; 'too lenient?' or a masterpiece on the nature of evil?) and Elizabeth Stittiger's *Hannah Arendt: Martin Heidegger*.

national history. Two other stars here: Anthony Fletcher's revaluation of patriarchy, *Gender, Sex and Subordination in England, 1500-1800* (Yale, £19.95), and Michael Ridpath's financial thriller *Free to Trade* (Heinemann, £9.99), shot into the bestseller lists. They mark a major battle for 1995: will publishers manage to make sophisticated, intellectual books break through to bestsellerdom, or will thrillers and money-and-hype win out?

**MARCH.** A classic spring title for our green decade, Simon Schama's *Landscape and Memory* (HarperCollins, £30) shows how landscape is the work of the mind, forests, say, embody militarism in Germany, order under the Greenwood in England. This book not only makes history more popular but more democratic: no longer the story of kings and queens we grew up with but of everyone looked at the world.

**APRIL.** Bestseller test: Martin Amis' *The Information* (Farrington, £15.99) hits the headlines because of its record advance (£500,000 for this and a book of short stories) for a literary novel. Sales – said to be around 50,000 – exceed those for previous Amis novels, but the book fails to reach a new, popular market... No surprise: it is self-satisfied tome whine success as a bestseller at all simply demonstrates the power of publisher's hype.

**MAY.** The 50th anniversary of VE Day – a chance for publishers to excel at Britain's primary cultural commodity: nostalgia. Most sweeping and dramatic of many memoirs is Martin Gilbert's *The Day the War Ended* (HarperCollins, £20). Most idiosyncratic is the 81-year-old Countess of Ranfurly's maiden war diary *To War with Whitaker* (Mandarin, £5.99), a surprise bestseller (25,000 paperbacks, 20,000 audiocassettes).

Most controversial are two biographies revolving round blame and forgiveness: Gitta Sereny's brilliant *Albert Speer: His Battle with Truth* (Macmillan, £25; 'too lenient?' or a masterpiece on the nature of evil?) and Elizabeth Stittiger's *Hannah Arendt: Martin Heidegger*.



Something to crow about: George Orwell's *Animal Farm*, now reissued in a fabuous edition illustrated by Ralph Steadman (Secker, £14.99), has proved an unexpected bestseller. Published in August, it had an original print-run of 5,000, but has so far achieved sales of 40,000.

print-run of 5,000, but sales of 40,000 by Christmas.

**SEPTEMBER.** The Net Book Agreement, which has kept book prices fixed for the past 40 years, collapses after so many publishers have withdrawn from it that the Publishers Association can no longer enforce it. Victory for the giant publishing conglomerates and

the big chains: discounted books fill the shelves of WH Smiths and ASDA, which on some displays alternate stickered, discounted titles with identical, undiscounted copies, so that the unwary present an unstickered book at the check-out and pay full price. Long-term results will be a smaller choice of books and

fewer places to buy them – in France, 30 per cent of bookshops closed within a year of a deregulated book trade. A classic of the bland chocolate box book which will now increasingly dominate publishing is Nicholas Evans' *The Horse Whisperer* (Bantam, £14.99). Hyped as bestseller of 1995 – it sold for £365,000 in Britain and

nearly £2m in Hollywood – it goes straight into the bestseller charts but gets terrible reviews. A tale-of-our-times about a city career woman finding herself, and a late baby, among the horses and leathery lovers of Montana, it is a sort of 1986 adult version of the children's frontier story *Little House on the Prairie*. I

read it in 45 minutes, couldn't quote a line of it, but reluctantly savoured its sweet aftertaste.

**OCTOBER.** Month of prizes and fairs, fights and deals. At the Frankfurt Book Fair, money talks in all languages when publishers bid like city traders for the memoirs of Nick Leeson, held in a jail down the road: Little, Brown win at £450,000. Should criminals be allowed to make literary money from their exploits? If not, how to draw the line – what about, say, Sereny's honourable biography of Albert Speer, which will also make money out of atrocities? No other Frankfurt book comes close to the excitement inspired by Leeson, though there is spicy interest in the memoirs of Lolita, a clever follow-up to bestseller sequels such as *Scarlett* and *Mrs de Winter*. Back home, a £2m book deal makes Jeffrey Archer the world's best-paid author.

The Booker Prize transforms Pat Barker's thoughtful novel *The Ghost Road* (Viking, £15) into a bestseller (a creditable choice, though Penelope Fitzgerald's novel of romance and philosophy, *The Blue Flower* (Flamingo, £14.99) is three times as original and enjoyable as any of the shortlist).

Poetry gets a brief glace of mass interest when Seamus Heaney wins the Nobel Prize for Literature and Kipling's "It is voted most popular British poem on National Poetry Day.

**NOVEMBER.** Virago, the first feminist press, which popularised forgotten authors like Edith Wharton and Willa Cather, is sold to Little, Brown. Nostalgia for the half-eaten apple logo and dark green spines – and for the heyday of radical, independent imprints.

**DECEMBER.** A competitor for the bestselling *Pride and Prejudice* (Penguin, £2.99) emerges when Ang Lee's film *Sense and Sensibility* opens. *Sense and Sensibility: the Screenplay and Diaries*, by Emma Thompson (Bloomsbury, £16.99), an account of making the film, is a challenger to the successful *The Making of Pride and Prejudice* (BBC/Penguin, £9.99). But whereas the BBC team delightfully unmasks its modern view of a hearth-and-dollars Austen, Thompson's is a study in egomaniac streaks with breathtaking lack of humility (Austen is thanked in the acknowledgements for developing Thompson's sense of humour). Nevertheless, the appearance of Jane Austen in the bestseller lists, and the success of these follow-on titles, pinpoints what made 1995 publishing thrive: money, sex, hype, and a move upmarket towards quality.

## The bottom line

I was never really a bony man, though now, I think, I am. I used to be a breast man – blame Alma Cogan – and then a leg and bone man. Even shoulders would do the trick, or a muscular or powdered back. Until, that is, I read Jean-Luc Hennig's witty, cultured, lyrical, absorbing and transforming celebration – there is no better word – of that physical object unique in the animal kingdom, the human bottom, the *derrière*, the rump, the rear, the ass, bum, seat or fundament.

One is not talking dirty. If one wanted to talk dirty one could make your hair curl by dipping in and out of – oh, sorry – some of the gamier sections of *The Rear View*; whereas all one wishes to do is salute Jean-Luc Hennig and his translators, Margaret Crossland and Elifreda Powell, for their beautiful, seductive book.

Hennig is described by his publisher as a professor of grammar who was formerly editor of the cultural section of *L'Echo des Sondes* and then *Rolling Stone*. Apparently, his many published books include *Morgue, le Voyage*, a study of the Swiss national character, and a literary and erotic dictionary of fruits and vegetables.

The chapter headings of his bony book convey quite strikingly the compressed richness within, including, as they do: *Afroenis: Buttocks, Brothel, Curves, Rump, Body Dancing, Cleft, Spanking, The Three Graces, Greek, Gross, Idiot, Libidine, Male, Slavery, Odalique, Pin-up, Sodomy, Ofifice and Bottom-Watcher*.

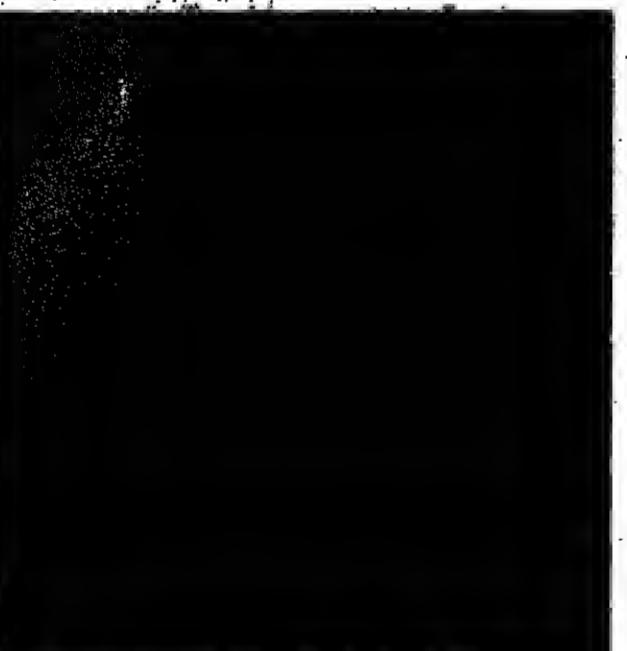
Here are seven pearls:

**BC**

**DO YOU HAVE  
A BOOK  
TO PUBLISH?**

If so, please write for full details, catalogue and reviews of our books to:

The Book Guild Ltd,  
Editorial Office (PT/4)  
25 High St, Lewes,  
East Sussex, BN7 2LU.



Anatomy as destiny: detail from Canova's statue 'The Three Graces', cited in this reflection on the cultural significance of the human buttocks

From the chapter called *Afroenis*: "Among the 193 existing species of primates only the human species possesses hemispherical buttocks which project permanently from the body, although some people have claimed that the Andean llama also possesses buttocks."

From *Curves*: "Buttocks are pleasing. There is something cheerful about their plumpness... They are comforting, heartening... Having your fill, having your hands full: it all leads to a pleasant feeling of euphoria. Which explains how, for a decade now, the shape of domestic objects has constantly been reminiscent of buttocks, linking smoothness to comforting roundness."

From *Rump*: "It is Géricault, one of the French painters most responsive to the art of Michelangelo, who has shown most aptitude for buttocks. 'I like men with big buttocks,' he used to say."

From *Cleft*: "The best things in the human body always come in twos..."

From *Spanking*: "British or hairy-legged women –

"ticklers", he called them. It was at the seaside, Fellini told José Luis de Villalonga, that the mystery of womanhood was unveiled to him. He was eight years old. There was an enormous, pale, dirty woman living alone in a hut she had built on the beach. In the evenings, she gave herself to any fisherman who had the courage to approach her. They

**THE REAR VIEW: A BRIEF AND ELEGANT HISTORY OF BOTTOMS THROUGH THE AGES** by Jean-Luc Hennig (Sovire Press £15.99, 181 pages)

paid her by allowing her to recover tiny sardines from the bottom of their boats.

In Rimini these little fish were called *scrappina*, so she was known as *La Scrappina*. For a couple of sous she would slowly lift her huge moth-eaten skirt and, for a few seconds, expose her immense white buttocks, which became a fantasy for a generation of small boys. For twice the price, she would turn around, though sometimes she leapt up and down in frenzy, cursing.

She had a lion's head, shiny eyes and big rubbery lips. She was strong of fish, seaweed, petrol and tar. She had the body of a leopard and a backside as big as the world. One day, *La Scrappina* began to sing for Fellini. A rumble. "She had a little girl's voice, a thin, very pure, very clear, very tender voice. And that day, Fellini discovered sin."

These days, thanks to advertising, bottoms are everywhere. They have been used to advertise "Yes", "No", Pirlli tyres, Schweppes drinks, super-oil, Dior Svelte, washing powders and thousands of other things. *The Rear View* is not a sinful book, though it will take you into realms of reflection and conjecture that you may not have penetrated before unless you are a connoisseur. It is a beautiful book – as beautiful as your bottom.

Even the chapter entitled *Gross* could be described as life-affirming. Fellini, for example, loved big women, especially those with large bottoms, which Hennig calls sidelong of happiness. This very woman Fellini said, was a molecular epic of femininity, a divine comedy of female anatomy. He also liked moustachioed and hairy-legged women –

Michael Thompson-Noel

## Arguably the best literary magazine in the world

For in-depth, reasoned argument and literary criticism, the London Review of Books is hard to match. The Sunday Times calls it 'the boldest of the literary journals'. To Clive James it is 'the house magazine of the intellectual élite', while Alan Bennett considers it simply 'the liveliest, the most serious and also the most radical literary magazine we have'.

The London Review of Books is many things, but it is not an easy read. Simply because the issues facing the world today are not easy ones. Here are just a handful of the subjects and authors which have appeared in recent issues: Ross McKibbin (*What Labour must do*), Alan Bennett (*on Peter Cook*), Christopher Hitchens (*on New Gingrich*), Marina Warner (*on the Resurrection*), Terry Castle (*on Jane Austen and her sister*), Edmund White (*on gay fiction*), Jenny Diski (*on the sixties*), John Kerr (*How mad was Jung?*), Leslie Wilson (*on satanic child abuse*), Andrew O'Hagan (*on the missing*) and Edward Luttwak (*in praise of the Russian mafia*).

The LRB is as much a political paper as a commentary on books and their authors. For people who love the written word, it is required reading. Take this opportunity now to introduce yourself to the LRB. Simply complete the coupon to enter a trial subscription. If you do so, you will save 15% and receive your first six issues absolutely free.

London Review of Books, 28 Little Russell Street, London WC1A 2HN, England

READ SIX ISSUES FREE AND SAVE 15%

Post to London Review of Books, FREEPOST, WC1A 2HN, London WC1A 2HN, England. No stamp needed if posted in U.K. Please send me six free issues of the London Review of Books and enter my one-year subscription of 24 fortnightly issues at a saving of 15%. I enclose payment now, but I understand that if, after six issues, I wish to cancel my subscription, I can do so and receive a full refund. The six issues will be mine to keep at no cost.

Mx/Mrs/Ms/Miss

Address

### London Review OF BOOKS

John Bayley (remember  
Nursie, Jane...)  
John Lancaster  
John W. Scott  
Gretta Marcus  
David Strelak

John Bayley (remember  
Nursie, Jane...)

John Lancaster

John W. Scott

Gretta Marcus

David Strelak

John Bayley (remember  
Nursie, Jane...)

John Lancaster

John W. Scott

Gretta Marcus

David Strelak

John Bayley (remember  
Nursie, Jane...)

John Lancaster

John W. Scott

Gretta Marcus

David Strelak

John Bayley (remember  
Nursie, Jane...)

John Lancaster

John W. Scott

Gretta Marcus

David Strelak

John Bayley (remember  
Nursie, Jane...)

John Lancaster

John W. Scott

Gretta Marcus

David Strelak

John Bayley (remember  
Nursie, Jane...)

John Lancaster

John W. Scott

Gretta Marcus

David Strelak

John Bayley (remember  
Nursie, Jane...)

John Lancaster

John W. Scott

Gretta Marcus

David Strelak

John Bayley (remember  
Nursie, Jane...)

## FASHION

# There's no need to stop at red

From scarlet to burgundy, there is a shade to brighten up the dark days of winter, says Avril Groom

**R**ed is one of the traditional colours of the Christmas season, but it can have an air of tackiness about it. To help you steer clear of some of the horrors, we have selected the best of red, from clothes and shoes to

bags and jewellery. If you are too late for Christmas shopping, these items will make cheering beacons in the dark days of January.

**Clothes**

Avoid red blazers and tailored jackets (overtones of Butlins,

Virgin air hostesses and female Labour MPs). Benetton's cosy pillar-box red jacket is much more fun and loosely cut, so knowing the exact size to buy is not crucial.

**Red evening dresses** are the stuff of *femmes fatales*; current period glamour maximises

sophistication and minimises sleaze. Try Nicole Farhi's strapless prom-ball style in rich scarlet duchesse satin (there is also a fitted jacket, £269), or a glamorous long bright-red crepe strapless column with satin bodice, £165 at Karen Millen, Kings Road, SW3. A sunset-glow, cap-sleeved, full-skirted style in shot taffeta, £120 from the Liberty Collection, is pure 1950s nostalgia.

**Red cashmere** is luxury personified. Be really generous and give a twinsel (true scarlet with tiny pearl buttons, £298 at Jaeger, Regent Street, W1, or soft vermillion at Scotch House, Knightsbridge, SW1, £275) or be prescient with the garnet cut-in shoulder roll-neck from N. Peal - for parties now or for any time in spring.

For a touch of red at chain-store prices, BHS's short-

sleeved fine-rib body in nylon/Lycra, £18, is a pretty garnet shade. Marks and Spencer's bright red moleskin jeans are very jolly at £50.

**Lingerie:** Shop counters after Christmas are deep in returned red lace trifles, but stores are helping men learn what women really want. Go for burgundy rather than bright red.

Lingerie should be plain and visible; like Malizia's longline rib Lycra/satin vermillion bra, or Gossard's built-for-comfort Ultrabra in pale crimson satin, £18.99, and briefs, £9.99, from House of Fraser or Fenwick. Pyjamas are often better-received than sexy nighties, especially in smooth cotton muted Royal Stewart tartan by Bonsor, £69 from Harrods.

**Shoes:** Avoid red patent stilettos - great on supermodels but tarty in real life, except with the plainest, most exquisite black or charcoal shift dress. Softer finishes are easier, especially satin, from Ravel's tango evening shoes with a high, thick heel (£42.99) to Gina's scarlet kitten-heeled pump and Russell and Bromley's essential tomato-red ballet slipper, £25.

**Bags:** These are the easiest way to flash a touch of red. Who would not love a little jewel of an evening bag such as Russell and Bromley's oval satin frame bag to match the ballet slippers, £155, or Nina Ricci's ruby grosgrain envelope bag with cord strap (£145 from Harvey Nichols)?

**Jewellery:** Richer than rubies and much, much cheaper, this winter's deep red diamante glints on



Time a-changin': Ribbed steel and gold watch with red leather strap, £1,200; square strap £20; from Boucheron, New Bond Street, W1

painted velvet stole, £250 from Harvey Nichols. For sheer fun, Marks and Spencer's bright red feather boote takes the prize.

**Make-up:** Embarrass someone with a Christmas kiss while wearing Paloma Picasso's Mon Rouge, £16.50, a true scarlet lipstick in a bright gold case. Chanel's lipstick No 22, Rouge Star, £13, is another classic red, deeper but no less vivid.



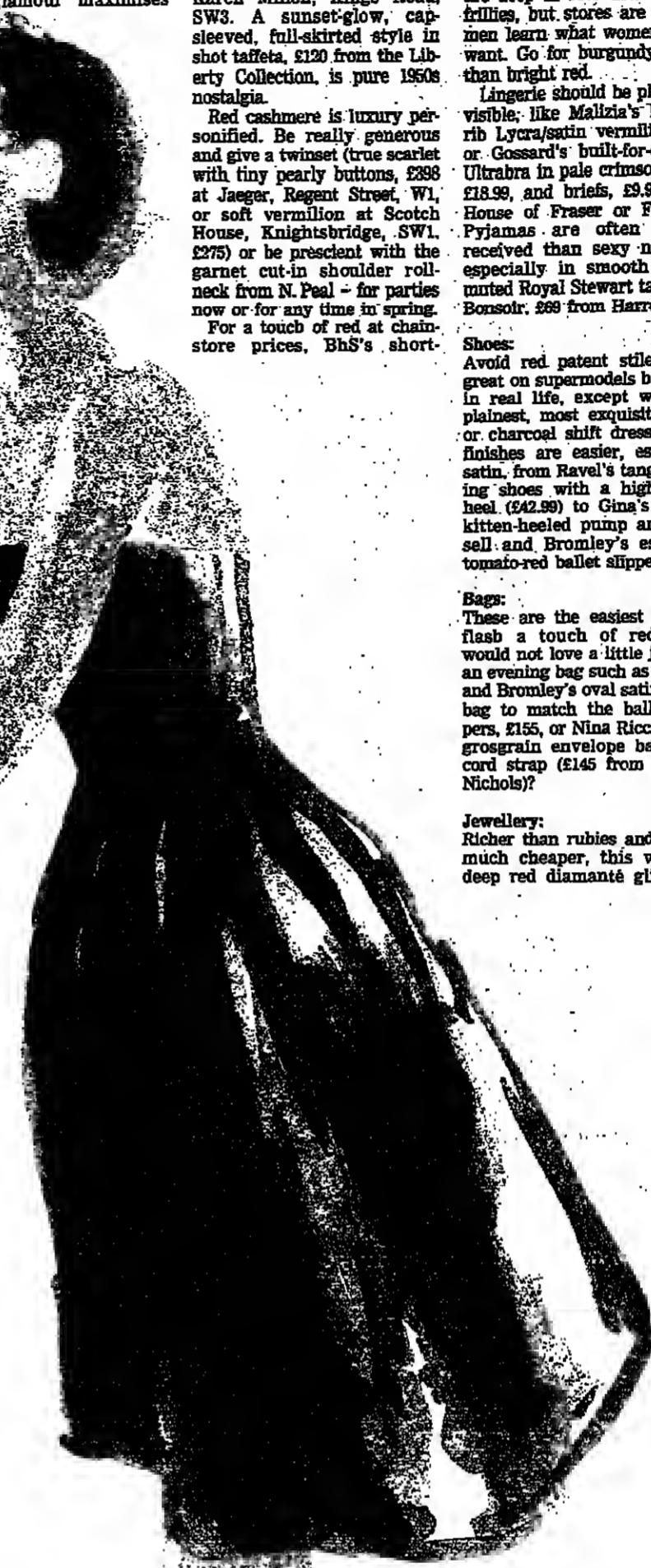
Added sparkle: Large diamante bracelet, £20 from Agatha, South Molton Street, London W1

## Golfer voted Britain's best dressed man

Until then, there's Glenfiddich to enjoy.

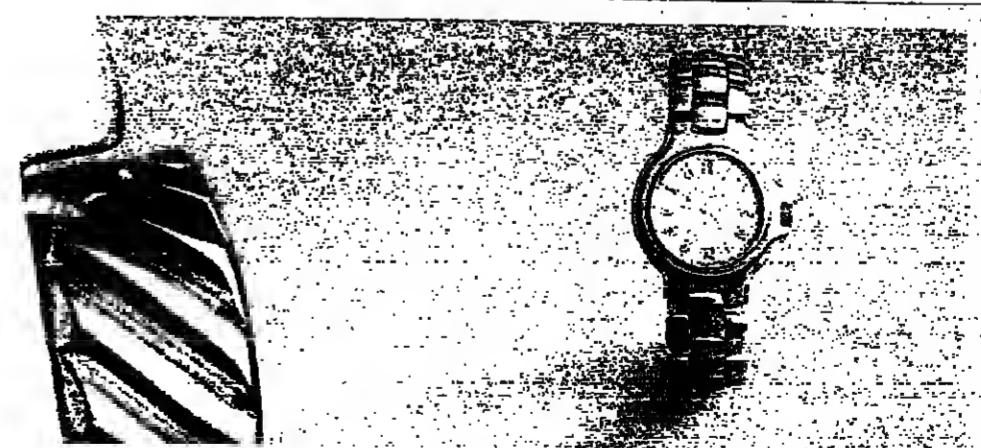


Having a belt: scarlet full-skirted strapless dress, £229 from Nicole Farhi, New Bond Street, W1. Satin shoes, £265 from Gina, Sloane Street, SW1



delicate, discreet little pieces from Erickson Beamon to Agatha. Bolder but more authentic is antique paste jewellery from Sandra Cronan, Burlington Arcade, W1. A typical necklace with half-inch stones costs about £750, ear-rings £250. Instead of jewels, try a silk flower corsage such as Chanel's classic camellia in burgundy satin. Plenty of watches have straps in red, but when that bores you, Boucheron's can be swapped for a myriad other colours in leather, snake or satin.

**Scarves:** Another easy option. Most luxurious is a padded crimson velvet and satin stole by Amanda Wakeley which would make an evening coat redundant. Liberty's naive-print brick red panné stole, £225, has plenty of snuggly space, as does Carole Waller's stormy red hand-



*Inspired by London, home of Alfred Dunhill. Stainless steel and precious yellow metal. Swiss made with quartz movement. Sapphire glass. Water-resistant. Discreet folding clasp. International guarantee.*

*Available at: ALFRED DUNHILL STORES, HARRODS, SELFRIDGES, HARVEY NICHOLS AND SELECTED BRANCHES OF WATCHES OF SWITZERLAND, THE GOLDSMITHS GROUP, MAPPIN & WEBB & LEADING JEWELLERS NATIONWIDE.*

*Established 1899*

1995

TIFFANY

## HOW TO SPEND IT

**A**ny minute now there will be absolutely nothing more you can buy. The shops will have closed, the turkey bought (or not...), the presents chosen, the cards posted. But while some of you no doubt had it all wrapped up in October, many have nerves of steel and think the last-minute hunt is part of the fun. If you are not thinking of anything too recherche or too highly personalised, today is not too late.

This week's page concentrates on last-minute suggestions for the desperate, the disorganised or those who simply believe that December 23 is quite time enough to start their shopping.

If, after all, you can't face the shops, worry not - Global Presents Shopping Service will deliver presents for you. You simply telephone (0171-731 2000 (or on the Internet it's <http://www.shoplondon.co.uk>) and discuss your present needs. It offers a very good choice (a full-colour catalogue is available but not much use now) at usual high street prices but anything you order will be delivered by tomorrow if in London. Choose from cashmere scarves (£55), silver vermeille and hematite circle earrings (£45), pens (from £25), hamper and fine whiskies, luggage, gifts (I particularly like the Noisebuster headphones for those who want to doze in peace, £103), a small selection of British Museum replicas, as well as some lovely toys (boys big and small might love the miniature radio-controlled Nikko Columbia Plane for £99.90). Gift wrapping and a message are included for an extra £2 and the cost of delivery will be quoted at the time of ordering.

Some of the very best presents, of course, come wrapped in nothing but a slim envelope - theatre tokens, for instance, to the value of £1, £2, £10 and £20 can be bought from many branches of W.H. Smith and

## Solutions for the disorganised

**L**ucia van der Post offers help for those whose present-buying is well-intentioned but unfulfilled



James Thin Booksellers in Scotland, from Ticketmaster in the UK, from the National Theatre, for instance, to the value of £1, £2, £10 and £20 can be bought from many branches of W.H. Smith and

salon or health spa is a splendid treat - or, indeed, just a massage or a face treatment. Almost all spas offer vouchers.

Londoners could try The Sanctuary, 19 Floral Street, London WC2E 9DR (tel: 0171-240 9635) which offers a range of day vouchers from £10 to £155, depending on the

treatments included. Or The Peak at the Hyatt Carlton Tower, on Cadogan Place, London SW1X 8PY (tel: 0171-235 1224) offers a "Day of Pampering" for £75 which covers eight hours of indulgence, a session with a health counsellor, a recommended exercise regime and the chance to take part in any

of the day classes. Lunch and champagne is included.

Membership of the Royal Academy (tel: 0171-494 5563), the Tate Gallery (tel: 0171-837 8752), the V&A (tel: 0171-839 4040) and the National Trust (tel: 0181-464 1111) can be organised by telephone - a card announcing the details

and forthcoming delights should do the trick.

On the home front both Habitat (40 stores in the UK and Ireland are open today and tomorrow) and Ikea (six at Brent Park, Croydon, Birmingham, Gateshead, Leeds and Warrington, open today but closed tomorrow) are a terrific

source of well-priced stylish presents. From Ikea you could pick up two charming German red wine glasses for just £4, a wooden toy aircraft with three passengers for £3, a metal lantern for £5, gingham cushions for £3.90 each or a beautiful white wool travel or car blanket for just £15.

At Habitat, there are beautiful frosted vases at £20, picture frames from £5, a great array of tableware and kitchenware and some particularly attractive bedlinens; or if all else fails, there is a delicious collection of specialist foods - such as a selection of dried foods in a terracotta dish (£9), fine oils, vinegars, and spiced kumquats.

Muti shops (at 17 Kensington High Street, London W8, 26 Great Marlborough Street, London W1; 38-41 Shelton Street, London WC2; and 63-67 Queen Street, Glasgow) are a great source of presents for those with a minimalist turn of mind - the simple shirts in gingham, chambray or plain white from £22.50 are a great hit with young men, as are the marled grey Californian cotton T-shirts at £9.50, while all the carry-alls, rucksacks and bags are sturdy and well priced.

Look out, too, for streamlined storage and household utensils - the white frosted tumblers and glass bowls are particularly attractive. All the shops are open on Saturday (the Kensington branch until 7pm, the others until 5pm but only Kensington is open on Sunday from 10am to 2pm.)

For the gadget and gizmo-minded The Leading Edge is a good place to look - there are branches in Whiteleys Shopping Centre in Queensway, London W2; in Selfridges, Oxford Street; in Unit 17 at Liverpool Street Station; and at 49 King Edward Court, Windsor, Berkshire. Here everything from the dink (the Light Doodler at £49.99 and the Gumball Machine which dispenses gumballs, peanuts or jelly beans for £1.99) to the seriously useful (the Nitewrill booklight, £19.99 perfect for insomniacs who do not sleep alone, and the deeply unnecessary cheese machine ("a simple way to store your cheese, no more wrapping and re-wrapping", £14.99).

And if all else fails, nobody yet said no to a glorious bunch of flowers, to a bottle of fine wine or a really good book.

## On the scent of the unusual

**L**ucia van der Post offers her selection of truly exclusive fragrances

**O**f all the last-minute presents one of the most obvious - but also one of the best - is scent, or fragrance, as the trade, will persist in calling it, in defiance of Nancy Mitford's edits.

It has been a bumper year. Some old classics such as Lanvin's Arpège and my own favourite, Guerlain's Shalimar (its wonderful Oriental essence unadorned with thank heavens) have been given new leases of life by being re-packed in their original bottles (in Shalimar's case a beautiful Baccarat bottle designed for the 1925 Decorative Arts exhibition).

As always there were plenty of new ones to choose from. Estée Lauder launched Pleasures, Cartier launched So Pretty (and very pretty it smells, too) and Jean Paul Gaultier has Le Male (worth buying for its bottle - a male torso - alone).

but this year's most extraordinary success story has been Calvin Klein's CK One - it took \$60 million in the first three months after its launch in the US and estimates for its first year's sales in Europe run to \$50m - and all because it has somehow led people to believe that it has a special claim to being a new wave perfume, a 1990s phenomenon, a radical innovation, the first of "unisex" fragrance in the world. I

cannot be the only one whose first experience of dabbing on something fragrant was using their father's after-shave (Schäfferell as it happens).

It, however, buying into the most popular scents in the world is not really your style, if you prefer something a little more recherche that you will not run into everywhere and that few will recognise, then you might like to know that there are a few scents that really are exclusive, that are available only in a very few

outlets and that are known primarily to their devotees.

A couple of years ago I discovered (and wrote about) Chanel's secret classics - Cuir de Russie (oriental and spicy), Bois des îles (rich and woody), Gardénia (sweet floral) and No.22 (exotic floral), all of them first created in the 1920s in Coco's heyday and much more sophisticated than the famous trio of Chanel No.5, Coco and Cristalle.

These are only available from Chanel boutiques in London (28 Old Bond Street and 31 Sloane Street) and Paris.

Guerlain, too, has its little-known treasures - Liu (named after the slave girl in Turandot) and Mouchoir de Monsieur (a very refined present to give to a man who does not want to reek of any of the world's best-selling after-shaves) are made only in the smallest quantities and are among the most exclusive perfumes in the world, both only

being available from Harrods of Knightsbridge.

Vol da Nuit (named after Antoine de Saint-Exupéry's famous novel and packaged in a wonderful odesquesque ardoise bottle) and Apres L'Onde are two other little-known Guerlain perfumes. Harrods, Harvey Nichols, Fortnum & Mason in London sell them, as do Kendals of Manchester, Rackhams of Birmingham, Jenner's of Edinburgh and Fraser's of Glasgow.

Keep them guessing, too, with Tabac Blanche, Nardise Noir and Bellodgia all by Caron (all of which are decanted into a bottle of your choice - £38 for 7.5ml of perfume, while 100ml would be £125). Then there is Givenchy's Patou, both of which are little-known, beautiful in their own right and would make the recipient feel very special. These are available only from Harrods.

## HOUSE OF FRASER SALE.

### A CUT ABOVE THE REST.



Starts Wednesday 8.30am.  
(Tuesday 9.00am in Scotland.)

With generous reductions in every department including ladies' fashions, fashion accessories, menswear, homewares, furniture and electricals.

**HOUSE OF FRASER**

ARMY & NAVY · DAVID EVANS · DICKINS & JONES · BINNS · BARKERS · OH EVANS · HOWELLS · JOLLYS · ARNOTTS · CAVENISH HOUSE · HOUSE OF FRASER · FRASERS · ONGLES · KENDALS · RACKHAMS · SCHOFIELDS · HAMMONDS

Certain ranges not available at all stores.

#### LIGHTWEIGHT SUIT SALE

We are delighted to announce our annual Winter Sale. Discounts up to 50% on selected ranges of men's ready-to-wear lightweight suits, dinner-jackets, jackets, slacks, safari suits, shirts, hosiery and underwear. All standard sizes available at Tropicana, Soho up to 51", shirts up to 20" and hosiery and accessories in commensurate sizes at Greater London Lightweight.

**STARTS DECEMBER 28th**

Open Mon - Fri 9 - 5.30pm, Sat 9 - 1. Sale ends mid Jan.

**AIREY & WHEELER**

Lightweight Clothes for Men

Tropicana, 44 Piccadilly, LONDON W1V 9AL Tel: 0171 734 9618  
Greater London Lightweight, 8 Sloane St, LONDON W1X 1DD Tel: 0171 734 8228

To Advertise Your Legal Notices

Please contact  
Tim McGorman  
Tel: +44 0171 573 4642  
Fax: +44 0171 573 3564

Commencing 27th December 1995

**SALE**  
**GEORGES RECH**  
**SALE**

BOUTIQUE GEORGES RECH  
181/182 SLOANE STREET, LONDON SW1W 9PQ

Christmas Opening Hours  
Monday to Friday 9.30am to 5pm, Saturday 9.30am to 1.30pm.

**The Simpson Winter Sale**

STARTS WEDNESDAY 27th DECEMBER

UP TO 50% OFF  
SELECTED MENS & WOMENSWEAR

OPENING HOURS  
27-29 DECEMBER 9.30-5.30pm  
SUNDAY 30th DECEMBER 9.30-5.30pm  
NEW YEAR'S DAY 10AM-6PM

Start with a Strand of Tiffany Pearls  
This is the foundation of a woman's jewellery  
watches. Necklaces with Tiffany Signature clasp in  
eighteen carat gold from £1,275. Earrings from £105.

**TIFFANY & CO.**  
SINCE 1837  
25 OLD BOND STREET, LONDON W1, 0171-409-2790

**Simpson**  
FINE JEWELLERY

## OUTDOORS



The UK has plenty of deer, but only two reindeer herds and no wild reindeer. The 30,000-acre Dunbeath estate in the north of Scotland includes deer stalking. Offers over £3m are sought

Property / Gerald Cadogan

## When reindeer take to the road

**S**moked reindeer remains a gourmet delicacy in Sweden but the UK has just two reindeer herds (in Scotland) and no wild reindeer - although Roddy Willis, a land agent and deer expert with Savills in Brechin, says: "There may be one or two in the Cairngorms that have gone wild."

One herd is at the Cairngorm Reindeer Centre near Aviemore, which is open to visitors most of the year. At Christmas the reindeer take to the road to make guest appearances with Santa in the nation's shopping centres.

But the UK has plenty of deer and produces at present 58,000 carcasses a year of wild deer. It is excellent meat, with a keen gamey taste, and healthy eating. There is little fat, as one expects on a wild animal ever on the move, and the deer do not ingest hormones or fertiliser residues. They drink clean, nitrate-free water. Mad deer disease is unknown.

And stalking deer is a glorious sport, demanding stamina, concentration, patience and sensitivity to the terrain and the habits of the deer.

The market in wild venison has done well all autumn, says Stephen Gibbs, chairman of the Association of Deer Management Groups (ADMG). Whole carcasses (skin on, head and feet off, and cleaned out inside) from the estates are fetching an excellent price at £1.10 per lb - 25.49 for 340g of wild venison steak or £3.69 for 100g of smoked wild venison at

£2.50, because venison from New Zealand, which has a short summer season, sold out very quickly.

Venison is generally in short supply worldwide but the pro-

ducers' price is expected to fall in the new year as old suppliers - such as Poland, Romania, Hungary and the former East Germany - return to the market.

"Our market depends on supply and demand," says Gibbs, and 70 per cent of the ADMG's demand is from outside of the UK. Mitchell Game of Dundee exports 15,000 carcasses annually as packaged meat, mainly as packaged meat, mainly

to continental Europe.

Although the deer are now plentiful and need considerable culling, it has been difficult to let the stalking over the last two or three years. Letting the stalking is one of the ways a sporting estate earns income.

Janet Illingworth of Strutt &

Parker, who has been arranging sporting lets for more than 20 years, finds that fewer Germans, Dutch and Belgians are going to Scotland for stalking.

It is easy now for them to go to Hungary or the former Czechoslovakia, where there are bigger stags with "trophy" antlers. "They love trophies," he said.

Illingworth also sees a long-term change in British stalking: "Fewer younger people are stalking now." He believes this is because they did not learn it as children.

He puts this down partly to changes in the school calendar: when school did not start until late September, a child a Highland estate could round off the holidays with stalking. Now, they are back at school in the first week of September.

Illingworth lets stalking at about £200 to £225 a stag, although agents or estates may ask £250 a stag. On top of this comes the rent of the lodge, which is likely to be around £1,000 a week.

He has on his books a good stalking let at Dougarie, a 250-acre estate on the Isle of Arran in south-west Scotland, where the deer forest starts at

the sea and rises to 2,800ft. The five-year average of stags is 37 with an average weight of 14 stone and 5lbs (201bs), and 45 hinds a year are called. Dougarie may also be available on a five-year lease or longer at a guide price of £25,000 a year from 1997 - consult Savills in Edinburgh.

For stalking on one's own land, a prize property on the market is the 30,000 acre estate of Dunbeath Castle, which sits in a fairytale setting on the cliffs of Caithness (Knight Frank and Rutley, offers over £3m).

The five-year average of stags in the 9,000-acre deer forest is 49, with 57 taken last year including a record beast of 18 stone 10lbs (202lbs). Stalking starts in August.

Farmed venison has existed for about 21 years. Among the pioneers were John and Nichola Fletcher whose deer farm in Fife now has 300 to 600 deer, depending on the season.

They run it as two separate businesses, farming and butchery, doing the slaughtering and packing on the farm for mail order dispatch.

This Christmas has been their busiest ever. As they can

not raise all the calves they need, they buy in young store calves from other deer farms which specialise in breeding, such as Glenmuick on Deeside, where Roddy Willis is factor.

Glenmuick began in 1987 with the intention of having about 200 hinds. Now it has a

small but special herd of 50 to 50 hinds, with four stags to look after them.

It is a canny operation, which began by taking the animals off the hillside when they were faced with an excess of wild deer. That meant the initial outlay was small, whereas other deer farms "brought in expensive stages from English deer parks", says Willis.

For stalking on one's own land, a prize property on the market is the 30,000 acre estate of Dunbeath Castle, which sits in a fairytale setting on the cliffs of Caithness (Knight

Frank and Rutley, offers over £3m).

The five-year average of stags in the 9,000-acre deer forest is 49, with 57 taken last year including a record beast of 18 stone 10lbs (202lbs). Stalking starts in August.

Farmed venison has existed for about 21 years. Among the pioneers were John and Nichola Fletcher whose deer farm in Fife now has 300 to 600 deer, depending on the season.

They run it as two separate businesses, farming and butchery, doing the slaughtering and packing on the farm for mail order dispatch.

This Christmas has been their busiest ever. As they can

not raise all the calves they need, they buy in young store calves from other deer farms which specialise in breeding, such as Glenmuick on Deeside, where Roddy Willis is factor.

Glenmuick began in 1987 with the intention of having about 200 hinds. Now it has a

small but special herd of 50 to 50 hinds, with four stags to look after them.

It is a canny operation, which began by taking the animals off the hillside when they were faced with an excess of wild deer. That meant the initial outlay was small, whereas other deer farms "brought in expensive stages from English deer parks", says Willis.

For stalking on one's own

land, a prize property on the market is the 30,000 acre estate of Dunbeath Castle, which sits in a fairytale setting on the cliffs of Caithness (Knight

Frank and Rutley, offers over £3m).

The five-year average of stags in the 9,000-acre deer forest is 49, with 57 taken last year including a record beast of 18 stone 10lbs (202lbs). Stalking starts in August.

Farmed venison has existed for about 21 years. Among the

pioneers were John and Nichola Fletcher whose deer farm in Fife now has 300 to 600 deer, depending on the season.

They run it as two separate businesses, farming and butchery, doing the slaughtering and packing on the farm for mail

order dispatch.

This Christmas has been their busiest ever. As they can

not raise all the calves they need, they buy in young store

calves from other deer farms which specialise in breeding, such as Glenmuick on Deeside, where Roddy Willis is factor.

Glenmuick began in 1987 with the intention of having about 200 hinds. Now it has a

small but special herd of 50 to 50 hinds, with four stags to look after them.

It is a canny operation, which began by taking the animals off the hillside when they were faced with an excess of wild deer. That meant the initial outlay was small, whereas other deer farms "brought in expensive stages from English deer parks", says Willis.

For stalking on one's own

land, a prize property on the market is the 30,000 acre estate of Dunbeath Castle, which sits in a fairytale setting on the cliffs of Caithness (Knight

Frank and Rutley, offers over £3m).

The five-year average of stags in the 9,000-acre deer forest is 49, with 57 taken last year including a record beast of 18 stone 10lbs (202lbs). Stalking starts in August.

Farmed venison has existed for about 21 years. Among the

pioneers were John and Nichola Fletcher whose deer farm in Fife now has 300 to 600 deer, depending on the season.

They run it as two separate businesses, farming and butchery, doing the slaughtering and packing on the farm for mail

order dispatch.

This Christmas has been their busiest ever. As they can

not raise all the calves they need, they buy in young store

calves from other deer farms which specialise in breeding, such as Glenmuick on Deeside, where Roddy Willis is factor.

Glenmuick began in 1987 with the intention of having about 200 hinds. Now it has a

small but special herd of 50 to 50 hinds, with four stags to look after them.

It is a canny operation, which began by taking the animals off the hillside when they were faced with an excess of wild deer. That meant the initial outlay was small, whereas other deer farms "brought in expensive stages from English deer parks", says Willis.

For stalking on one's own

land, a prize property on the market is the 30,000 acre estate of Dunbeath Castle, which sits in a fairytale setting on the cliffs of Caithness (Knight

Frank and Rutley, offers over £3m).

The five-year average of stags in the 9,000-acre deer forest is 49, with 57 taken last year including a record beast of 18 stone 10lbs (202lbs). Stalking starts in August.

Farmed venison has existed for about 21 years. Among the

pioneers were John and Nichola Fletcher whose deer farm in Fife now has 300 to 600 deer, depending on the season.

They run it as two separate businesses, farming and butchery, doing the slaughtering and packing on the farm for mail

order dispatch.

This Christmas has been their busiest ever. As they can

not raise all the calves they need, they buy in young store

calves from other deer farms which specialise in breeding, such as Glenmuick on Deeside, where Roddy Willis is factor.

Glenmuick began in 1987 with the intention of having about 200 hinds. Now it has a

small but special herd of 50 to 50 hinds, with four stags to look after them.

It is a canny operation, which began by taking the animals off the hillside when they were faced with an excess of wild deer. That meant the initial outlay was small, whereas other deer farms "brought in expensive stages from English deer parks", says Willis.

For stalking on one's own

land, a prize property on the market is the 30,000 acre estate of Dunbeath Castle, which sits in a fairytale setting on the cliffs of Caithness (Knight

Frank and Rutley, offers over £3m).

The five-year average of stags in the 9,000-acre deer forest is 49, with 57 taken last year including a record beast of 18 stone 10lbs (202lbs). Stalking starts in August.

Farmed venison has existed for about 21 years. Among the

pioneers were John and Nichola Fletcher whose deer farm in Fife now has 300 to 600 deer, depending on the season.

They run it as two separate businesses, farming and butchery, doing the slaughtering and packing on the farm for mail

order dispatch.

This Christmas has been their busiest ever. As they can

not raise all the calves they need, they buy in young store

calves from other deer farms which specialise in breeding, such as Glenmuick on Deeside, where Roddy Willis is factor.

Glenmuick began in 1987 with the intention of having about 200 hinds. Now it has a

small but special herd of 50 to 50 hinds, with four stags to look after them.

It is a canny operation, which began by taking the animals off the hillside when they were faced with an excess of wild deer. That meant the initial outlay was small, whereas other deer farms "brought in expensive stages from English deer parks", says Willis.

For stalking on one's own

land, a prize property on the market is the 30,000 acre estate of Dunbeath Castle, which sits in a fairytale setting on the cliffs of Caithness (Knight

Frank and Rutley, offers over £3m).

The five-year average of stags in the 9,000-acre deer forest is 49, with 57 taken last year including a record beast of 18 stone 10lbs (202lbs). Stalking starts in August.

Farmed venison has existed for about 21 years. Among the

pioneers were John and Nichola Fletcher whose deer farm in Fife now has 300 to 600 deer, depending on the season.

They run it as two separate businesses, farming and butchery, doing the slaughtering and packing on the farm for mail

order dispatch.

This Christmas has been their busiest ever. As they can

not raise all the calves they need, they buy in young store

calves from other deer farms which specialise in breeding, such as Glenmuick on Deeside, where Roddy Willis is factor.

Glenmuick began in 1987 with the intention of having about 200 hinds. Now it has a

small but special herd of 50 to 50 hinds, with four stags to look after them.

It is a canny operation, which began by taking the animals off the hillside when they were faced with an excess of wild deer. That meant the initial outlay was small, whereas other deer farms "brought in expensive stages from English deer parks", says Willis.

For stalking on one's own

land, a prize property on the market is the 30,000 acre estate of Dunbeath Castle, which sits in a fairytale setting on the cliffs of Caithness (Knight

Frank and Rutley, offers over £3m).

The five-year average of stags in the 9,000-acre deer forest is 49, with 57 taken last year including a record beast of 18 stone 10lbs (202lbs). Stalking starts in August.

Farmed venison has existed for about 21 years. Among the

pioneers were John and Nichola Fletcher whose deer farm in Fife now has 300 to 600 deer, depending on the season.

They run it as two separate businesses, farming and butchery, doing the slaughtering and packing on the farm for mail

order dispatch.

This Christmas has been their busiest ever. As they can

not raise all the calves they need, they buy in young store



# A world yearns for the Nativity to be true

Hugh Dickinson, Dean of Salisbury, argues that the birth in Bethlehem might be no more true than King Lear – but that it is still true enough

**G**abriel was distinctly wobbly. The bar stool borrowed from the Rose and Crown was creaky from 20 years of heavy drinkers. But it lifted her (are not angels unisex?) above the scrum of smaller angels with fly-on roles. Her halo trembled deliciously on its wire stalk improvised from a coat hanger. Was she scared? Cold?

"Just suffering from vertigo," was my companion's verdict.

"Occupational hazard I expect. Always keeping up with the Most High."

"Shut up!" hissed his wife.

One small angel had her knees anxiously crossed. Another was making surreptitious waves to her parents in the second row.

The final tableau assembled itself. Mary grasped her plastic Baby as if she meant to throttle it. (She had dropped him at the dress rehearsal – "Whoops, back to the cosmic drawing board!" commented my irrepressible friend.) The shepherds and the lions – now docile enough to lie down with any lamb – the embarrassed innkeeper and his freckled wife, the Two Wise Men and One Wise Woman, all jostled for camera space on the crowded stage.

And then it happened. Some-where behind the backcloth a baby began to cry. Not the raucous bellow of a hungry or angry three-month-old child, but that heart-stopping, slightly hoarse crying of one just born. From where we sat it seemed to come straight from the bundle in Mary's arms. Even the placid Joanna looked down with wide and startled blue eyes at the doll she was holding. For one instant the whole place froze.

"Jesus Christ!" exclaimed my rationalist chum in an awed whisper.

Joseph – of course – just grinned. He knew it was little Camilla born on Advent Sunday. Her mother (also unmarried) was helping with the angels behind the scenes. But for the rest of us, for just five seconds, make-believe became Reality. Then the cameras started to click and flash and common sense prevailed.

As we strolled home my friend said crossly: "I bet you arranged that – got her to pinch her baby coo cue or stick a nappy pin in it."

I said I wished I had thought of it. And then, provoked perhaps, I asked him what had made him so angry. He thought for a moment. "Confusing fact with fiction."

Where is Reality? Theatre creates a sacred space in which Oberon and Titania can cast spells on a watching audience. Cordelia and Lear wrench at our hearts although they are pure fiction. Ancient historians tell us that women cried out and fainted or went into premature labour as they watched the great Greek Tragedies in the theatres of Athens or Corinth in the 4th and 5th centuries BC.

The borderline between everyday reality and dramatic story blurs when the story is in fact about the living experience of the audience that watches. *Hic tunc res agitur*. This is your life. But is the Nativity any more?

All over the world the same tableau is being staged, often by people or in communities who no longer have any real belief in the Christian world

view. The myth, drama, story, dream – whatever it is – lives on after the big world has let go of the incarnation. But it still catches at our hearts.

The myth (let's call it that) has seeded itself in other worlds. There is a moving account of Sean Devereux staging a nativity play in an African village in Niumba County, Liberia.

Devereux was a teacher with a Catholic mission who was later assassinated (possibly by a western government) for his radical commitment to justice for the poor. His homespun nativity was the first time that that particular community had experienced a dramatic presentation of any kind.

In that African environment no one had any inhibitions about using a real baby to play the Lead Part. It was only after the event that Devereux discovered the baby he had grabbed from a nearby mother was in fact a girl. (*Tous co-chagé*.) But there, too, the infant began to cry justly at the peak moment. All the tribeswomen standing round transfixated by the story erupted spontaneously into the frenzied tribal dance with which they always celebrated a new birth in their community, ululating

**Behind the backcloth, a baby began to cry. It seemed to come straight from the bundle in Mary's arms**

joyously to the stars. In that community it was real. God had come among them.

While some of the villages in Africa are staging a nativity play for the first time, the custom is eroding in traditionally Christian lands. The familiar Christmas tableau is still mounted with deep affection in most English villages. But there are primary schools in many cities where Christmas comes only once in three. It has to ring the changes with the festivals of other religions. The Lord Krishna has to be born well.

This post-modernist mingling of cultures diminishes all myths by relativising them all. Other stories – St Nicholas transmuted into Father Christmas, A Midsummer Night's Dream and the Night Visitors, Anna's Gift – have crept into the Christmas slot and taken their turn with Bethlehem. Just like the panto – this year *Cinderella*, next year *Jack and the Beanstalk*. Does the child in the manger doff his divinity and wait his turn in the queue with *The Wizard of Oz* and *The Sound of Music*?

The Christmas stage is getting crowded.

Does it matter? Communities need communal myths and shared stories to hold shared values. If there is only a frayed tapestry at the centre with faded pictures of lords and ladies from some medieval tale of chivalry it soon becomes part of the heritage-for-tourists. It no longer carries the heartbeat of living participants. If the Nativity is one item in a gallery of Renaissance pictures in the Uffizi, Florence, or an altar piece in a locked church to which visitors cannot get the key, it



*The Adoration of the Kings* by Gossaert (Jan), oil (identified) on wood, at the National Gallery, London

ceases to be organic.

Things then fall apart. The centre cannot hold. The falcon cannot hear the Falconer. (Maybe the bird has forgotten that there is a Falconer.) The fraying of the communal myths is a symptom of the erosion of community. It is significant that for most Americans, Thanksgiving is more significant than Christmas. Unlike the Christ Child, Thanksgiving belongs to all citizens of the US. The myth of the American dream – paradise lost, perhaps. But it still says to them all: "This is your life."

But why not let the obsolete myths fade as new, brighter and more entertaining stories fill our screens? Christmas is the season of myths. Midwinter is a time for dreaming. *The Wizard of Oz* is avowedly a dream about frail humanity – the cowardly lion, the heartless scarecrow, the heartless robot, the innocent child – and magic, the ambiguities of sexuality are dangerous stuff – but

spell to give them back their true selves. Sentimental perhaps, but is its enduring magic just that that is what we are all dreaming?

Myths work best when they are organic to the community in which they are enacted. Panto on the screen or on film really does not work. The rapport between the audience in the theatre and the dame on the stage, the repartee with the demon or the witch, the sing-songs and the cross-dressing all work because they are constantly repeated traditions in which a whole community takes part.

At the superficial level they are just fairy stories leavened with slap-stick. But watch the faces of the children. They know unconsciously that they are dealing with risky things on the border between the child and the adult world. Evil and goodness, chaos and order, the ambiguities of sexuality are dangerous stuff – but

safe in this mythical container. The actors come into the audience, so, yes, this is your life. If only life always had a happy ending – what a dream.

**The Nativity as holy pantomime?**

**Jack and the Beanstalk is true to the child's experience on the risky margins of the adult world**

mime? I can hear my sceptical chum guffaw. Doesn't that sell the pass? I thought you were staging this tableau because you think it is true? Like re-enacting the battle of Nasby. You do think it is true don't

you? I mean, *Jack and the Beanstalk* and *Cinderella* are fairy stories. Come on, come clean. If you had had a tape recorder up there on the hill behind Bethlehem would you have got the Hallelujah Chorus?

Well, no. In the Bible, angels are God's inverted commas. They throw into relief an event in which the world of the Spirit acts across into our sublunar world. This particular story owes its perennial spell to just that power to reveal the Divine in the most ordinary human place. It deals in archetypes which resonate deep in our unconscious: the Night Journey, the Maiden; the Beasts; the Shepherds; the Star; the mysterious Kings, or Milton's "star-led Wizards"; and last but not least, the Child King, the King Who Must Die. Potent stuff, whether in a school hall in Dorset or a village in central Africa. God with us.

At yet another level it hints at the abyss of mystery which is the backcloth to our human existence and its meaning. The stars and the Magi who read their runes in the night sky tell of possible destinies for us and for our children beyond our horizons.

it logically."

On this festive note we arrived at Dunhill, and once again Sir James set upon the staff. "She's a policewoman," he said pointing to me. The shop assistants laughed obligingly. Upstairs we were ushered into deep leather chairs, brought a decanter of whisky and a subservient cigar vendor scuttled off to find a cigar for Sir James to try.

To my amazement, Sir James, a well-known teetotaler, poured himself a large glass. "It's Christmas," he said. "This is my first and last for the year."

"I can smell my pn now," he went on. "Back then I didn't know a place like this existed. You saw him – he gave me an £11 cigar just now. And I'm sitting here. I've not been a dirty bastard or cheated anyone. I did that thing on the TV and radio which fortunately found favour."

"We left the cafe. The hat went on again, and back came the manner. "It's my disguise. It's to do with being a sex symbol."

"As we drove through the West End past the shops with their Christmas lights, I asked if he had bought presents for his 47 nieces and nephews."

"No, no, no, no, no," he said. "I've got a simple system. When the duchess (his mother) was alive she got everything. Now my brothers and sisters get everything and their kids get nothing. If I had to buy presents for my 60 relatives it would drive me round the twist. My nature is to do

"Eh," he said. "A bit of fun. Eh?"

But for hundreds of millions of Christian people it lives on because it is also more than a human myth.

I feel the shadow of my friend leaning over my shoulder as I write. "Yes, yes, very fancy. But you don't actually think it's true, do you? And, don't say, if all depends what you mean by true. Don't prevaricate."

A security camera in the market square in Bethlehem watching for strangers? A video in the stable? The notebook of a local midwife? "Royal Reminiscences"? There is no corroboration. No, the nativity tableau presented in Christian communities all over the world is based on a single document written by one of the four evangelists. In my view it was written to substantiate the claim of the first Christians that the man Jesus was the manifestation of God in a human being. It lives on, not because it is a historical, verifiable, accurate account of events which actually happened as they are described. It lives on because it is true to the Christian understanding of Jesus of Nazareth – not Jesus of Bethlehem.

My sceptical friend supposes that the Christian Church hangs on to the nativity story in the forlorn hope that it will remind or persuade a doubting public that Jesus is the Son of God. That is all back to front. The nativity stories (there are two of them) prove nothing. They evoke in the imagination the possibility of other modes of being which illuminate the heart of the Christian conundrum: "What think ye of Christ?" King Lear proves nothing. But it is true, isn't it?

Hare the person begins to creep up the pulpit steps. What else can he do? It's not so much. It all depends on what you mean by true – but, what do you mean by divine? What are the evidences, hints, glimpses, shafts of sunlight from the world of the Spirit? To understand Bethlehem you have to read the Gospels – just St John if you have no time for more. There is no Nativity in St John (or St Mark). If that is what this baby grew up to become, then the question is not: is it true? but: is it true to that one unaccountable human life? Can he give us our dreams?

*Jack and the Beanstalk* is true to the child's experience on the risky margins of the adult world. *Antigone* is true to the traumatic pre-history of the Greek cities and the terrible conflict between the Rites of Family and the Rights of Kings.

Lear is true to the majesty and folly and madness of our condition. Bethlehem is true in Jesus. It does not matter if St Luke has used the palette of his own imagination to paint the stable scene just as Piero della Francesca did – and as I think he did. Whichever way it's true, it's true enough.

True enough at least to sow Christ's seed in our children's hearts. And if it grows there to make them people like Sean Devereux it's more than a lovely dream. It could change the world.

We have such a yearning for it to be true. Even Thomas Hardy, sad, sceptical, resigned, could write: "If someone said on Christmas Eve 'Come see the oxen kneel in the lonely baron by yonder combre. Our childhood used to know, I should go with him in the gloom. Hoping it might be so."

## Lunch with the FT

# The man who would not be loved

Lucy Kellaway meets the people expert who plans to spend Christmas in the hospitals

**O**utside the Thai Rose Massage Parlour in Marylebone a man was loitering. He was wearing an oversized parka and a nylon deerstalker which covered his face. He approached, and led me into a greasy spoon cafe next door. Inside, the hat and coat came off, to reveal a familiar crop of yellow-white hair and a hideous dark suit.

I had set out to have lunch with the nicest man in Britain. Sir James Savile is not to everybody's taste, but he has raised £30m for hospitals, and devotes most of his time to helping the sick and needy. He actually smiled twice.

Yet no sooner had I telephoned him than I started second thoughts. "Are you phoning from Monaco? I know you financial journalists, you're all making so much money. But I won't let you pay for the lunch! In Yorkshire we have a word for men who let ladies pay for them! It begins with a P and ends with an E and the middle letters are O, N, C."

It was no better when I met him. "Caviar and smoked salmon are the speciality here," he joked, handing me a menu. "I'd like beans on toast," he said to the waitress. "168 beans."

She looked slightly frightened. "One hundred and sixty-eight beans," he repeated.

specialist. You have a nice voice on the phone. I should have done this interview on the phone because now I'm thinking" – he points a finger to his brain, as if to denote enough. So they drove them – very nice she was. Wonder where she is now. So it's done me no good this has.

"I don't think this is very plausible," I said, weary of the charade. "So what are you doing at Christmas?"

"I've got four sisters and two brothers. They have their own families, so apart from me seeing them right for Christmas – I let them get on with it. I always get by because I have my hospitals. They are terrific places at Christmas time."

As he worked his way through his plate of beans, he started to reminisce about his early days down the pit. "I was the only collier that enjoyed it. When I got to the coal face, I thought, that's been there for 70 million years. And I'm about to put my hand on it."

This led to his philosophy of life. How he has never been in a bad mood in his life. How starting skint made him clever with money, how he knows

when he has enough.

"I didn't want to lose touch with reality. In my hospital ward I see a lot of people who didn't know the meaning of enough. So they drove them – very nice she was. Wonder where she is now. So it's done me no good this has."

"I don't think this is very plausible," I said, weary of the charade. "So what are you doing at Christmas?"

"I've got four sisters and two brothers. They have their own families, so apart from me seeing them right for Christmas – I let them get on with it. I always get by because I have my hospitals. They are terrific places at Christmas time."

Instead, he wanted to tell me a practical joke. When he went down the pit in a suit and tie. The tiresome prankster was gone. He told me how he teaches the next of kin not to grimace when they see their maimed loved ones for the first time.

"And are you a machine?" I asked.

"I hope I am," he said. He explained that the distraught

next of kin he sees in hospitals have taught him the perils of close personal relationships.

"They had allowed into their lives something else that was living: wife, kids. These relationships can bite you on the leg."

"I protested that it was human nature to love and be dying."

"I don't want to be loved," he said. "I – we – would never have any living thing in my house with any permanency."

I said this sounded sinister. His terror of personal relationships strikes an odd chord with his claim to be a people expert.

"It suits me. It wouldn't suit you because you are more human. I am not sinister in the sense of being dangerous sinister."

He started to talk about his work in the hospitals, and he suddenly seemed different. The tiresome prankster was gone. He told me how he teaches the next of kin not to grimace when they see their maimed loved ones for the first time.

"Because I don't have to dash off and make some TV programme, it doesn't matter to me if I spend half an hour with someone or half a week."

"I hope I am," he said. He explained that the distraught

next of kin he sees in hospitals have taught him the perils of close personal relationships.

"They had allowed into their lives something else that was living: wife, kids. These relationships can bite you on the leg."

"I protested that it was human nature to love and be dying."

"I don't want to be loved," he said. He explained that the distraught

next of kin he sees in hospitals have taught him the perils of close personal relationships.

"They had allowed into their lives something else that was living: wife, kids. These relationships can bite you on the leg."

"I protested that it was human nature to love and be dying."

"I don't want to be loved," he said. He explained that the distraught

next of kin he sees in hospitals have taught him the perils of close personal relationships.

"They had allowed into their lives something else that was living: wife, kids. These relationships can bite you on the leg."

"I protested that it was human nature to love and be dying."

</



# Weekend Investor

Wall Street

## Santa Greenspan leaves them happy

Interest rate cut proves a perfect end to a perfect year, says Maggie Urry

First, he stepped into a pair of red trousers. Then, he put on a matching coat with a wide, black belt and pulled on his big, black boots. Lastly, he donned a long red cap and a long white false beard.

Then, Alan Greenspan cut interest rates.

The image of the dour Greenspan, chairman of the US Federal Reserve, behaving like Santa Claus is an unlikely one. It would be easier to cast him in the role of the Grinch, the miserable Dr Seuss' character who tried to steal Christmas.

Yet, on Tuesday this week, Greenspan and the elves on the Federal Reserve's open market committee gave the markets a most welcome present in the form of a quarter-point cut, to 5% per cent, in the target interest rate.

It was the perfect end to a perfect year. A rare conjunction of favourable factors has produced a stellar performance for the markets. It has been a year when an ability to believe in Father Christmas has been a fund manager's best chance of keeping up with the indices.

It would be hard to overstate the extraordinary nature of the stock market's gains. According to the Securities Industry Association, the rise in the value of the US stock market, of \$2,400bn, equals the total value of the market only 10 years ago.

Equities are up by roughly a third. The yield on the long bond has fallen by almost a quarter, from nearly 8 per cent to a little over 6 per cent.

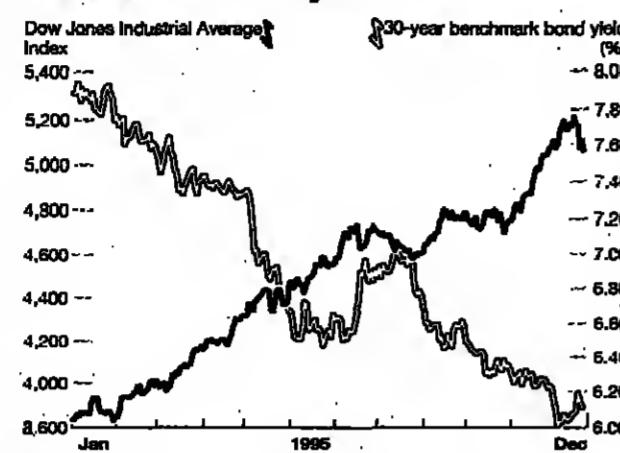
What has caused this spectacular performance, following 1994's year of gloom when rising interest rates laid the bond market low, shares were dull, and rapid growth in the economy brought concerns of overheating and inflation?

The Mexican crisis at the end of the year unsettled the markets, raising fears that the US economy would be damaged by economic difficulties south of the border. But, in a way, it ended up helping the US stock market.

Investors who lost money in emerging market funds turned back to US equities. A flood of money into mutual funds then fed upon itself. As money went into the markets, share prices rose and investors were attracted to put in even more money.

That alone would not have buoyed the markets so much. But everything else has gone

### The end of a record year



right too.

At the start of the year Greenspan was still a Grinch. Interest rates had to take the Fed one more step up before the Fed was convinced it had done enough to choke off inflation. But, by the time the last increase was made in February, the phrase "soft landing" began to circulate.

The idea that the Fed could engineer a bit of a slowdown, enough to avoid inflation without tipping the economy into recession, was hard to believe at first. But, as the months progressed, the soft landing became more and more of a reality. And while the slowdown in economic growth had not been wholly good news to markets, concerned that it would be associated with a deceleration of corporate profit growth, here also the pessimists were proved wrong.

Through the year, investors have been repeatedly surprised by better than expected earnings. John Ballen, chief equity officer at Massachusetts Financial Services, a mutual fund group, says: "People looked at the economy and said it was weak, but companies that surprised on the upside did well, particularly in technology."

Good news on the economy and from the corporate sector has been underpinned by favourable political developments as well. The Republicans' landslide congressional victory in November 1994 has aided the markets as promises of capital gains tax cuts and a balanced budget have made investors happy.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down until a budget agreement had been reached. That raised the unnerving question of whether the Fed was influenced in its decision by Monday's market slide.

So, as New York settled down to an off-white Christmas, the snow on Wall Street was turning to grey slush. What will the new year bring?

**Dow Jones Ind Average**

Monday	5,075.21	-101.52
Tuesday	5,108.89	+34.68
Wednesday	5,059.32	-50.57
Thursday	5,096.53	+37.21
Friday		

Source: FT *Exetra*

tion of whether too much good news is now in the market.

Certainly it has been a volatile week. The budget talks, which seemed to be going well at the end of the previous week, broke down suddenly.

As they waxed and waned over the week, the markets have risen and fallen. On Monday, the Dow Jones Industrial Average fell by more than 100 points, its seventh-largest one-day fall ever. It was not so dramatic in percentage terms but, even so, it indicated an underlying nervousness.

When the budget talks were again in doubt on Wednesday afternoon, the Dow took a sudden 50-point tumble just before it closed. Yesterday afternoon talks were progressing again but, since the thorny issues of welfare and Medicare cuts were on the agenda, there was no predicting how they would turn out.

Tuesday's interest rate cut was somewhat surprising because many investors assumed the Fed would not move rates down



## **FT MANAGED FUNDS SERVICE**

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (44 171) 873 4378 for more details.

Old Mutual Fund Managers Ltd (12000F)											
2 Castle Way, Horsham RH9 8NN											
Emerging Asia Acc <sup>5+</sup>											
132.00 22.00 -1.00 0.14											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.00											
Emerging Asia Acc <sup>5+</sup>											
121.00 20.00 0.00 0.											





#### **FT MANAGED FUNDS SERVICE**

FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

## **OFFSHORE INSURANCES**

**MANAGED FUNDS NOTES**

Prizes are in power units, otherwise registered and those presented S will be converted into U.S. dollars.

Units # allow for all buying expenses

Prices of portfolio older investments which were subject to capital gains are on sales.

(\*) Health and SEI registered. The regulatory authorities for these funds are:

- Bank of Ireland:** Monetary Authority
- Guernsey:** Financial Services Commission
- Ireland:** Central Bank of Ireland
- Jersey:** Financial Services Department
- Luxembourg:** Institut Monétaire Luxembourgeois
- Switzerland:** - Charge made on sale of units.
- Switzerland:** - Charge made on purchase price.
- Switzerland:** - Purchase price - 96% of management price.

The term "units" also designates the fund manager's name is the term of the fund's valuation point unless indicated by one of the following symbols:

- (\*) - 0001 to 1000 hours
- (\*) - 1101 to 1400 hours
- (\*) - 1401 to 1700 hours
- (\*) - 1701 to midnight
- 1:** - Monthly change of units.
- 2:** - Quarterly change of units.
- 3:** - Semi-annually change of units.
- 4:** - Annually change of units.
- 5:** - Historic pricing F - Forward pricing
- 6:** - Distribution type of UK funds
- 7:** - Portfolio protection insurance plan.
- 8:** - Equity protection insurance.
- 9:** - Designated as a DCTS (Undertakings for Collective Investment in Transferable Securities).
- 10:** - Offered price includes all expenses except agent's fees.
- 11:** - Payment day's prior.
- 12:** - Consistency premium.
- 13:** - Yield before Jersey tax.
- 14:** - Ex-superannuation - Ex-distribution.
- 15:** - Only available to charitable bodies.
- 16:** - Yield column shows annualized rates of M&V



## AMERICA

## Equities drift higher in thin trading

## Wall Street

US share prices drifted higher in thin trading yesterday morning, helped by a rally in the bond market and greater optimism over the outcome of the budget debate in Washington, writes Richard Waters of *Newsweek*.

By 1pm, the Dow Jones Industrial Average was up 12.64 to 5,108.17. After two big falls during the week, the most widely-followed barometer of US stocks was around 70 points below its closing level of the week before.

Among the broader stock market indices, the Standard & Poor's 500 was up 1.56, at 612.44, while the Nasdaq composite was 3.87 higher at 1,045.61.

The market's rise was underpinned by a firm bond market.

Among the biggest gainers during the morning was Enron, the US's largest natural gas company, which climbed 3.2% or 5 per cent to \$37.7. The company responded aggressively to a fall in its shares the day before, prompted by speculation that it had been caught out by a sudden move in natural gas prices, by buying shares under a previously announced buy-back programme and denying that.

Biotechnology stocks continued their recent climb. Amgen, the biggest of the bio-tech companies, added 3.2% to \$37.5, while Genzyme was up 5% at \$39. Meanwhile, Centocor, the company whose positive product news earlier in the week had sparked the latest bio-tech rally, eased back 1% to \$31.

Shares in UAL, parent of United Airlines, shed another 3% during the morning, or 3 per cent, to \$17.42. That followed a 10 per cent fall the day before on a profit warning.

Coca-Cola, meanwhile, continued its December slide, nudged lower by Thursday's mildly disappointing production forecast. The shares were down 1% at \$71.75 by lunchtime.

## Latin America

MEXICO CITY was slightly weaker in this mid-morning trade as a number of investors took profits. The IPC index lost 22.11 to 2,811.28 in modest volume of 42.8m shares. Dealers said that the market was consolidating, having risen by 6 per cent earlier in the week.

SAO PAULO firms by early afternoon in line with a rise on Wall Street. The Bovespa index was up 1,079.45 or 2.5 per cent to 43,600. In BUENOS AIRES the market was little changed by mid-session, with the Merval index up 5.15 at 520.96.

## SOUTH AFRICA

Industrial shares closed at a new high for 1995 after a quiet half-day's trading session. Golds, in contrast, were marginally lower as the price of bullion remained static.

The all-share index made 1.5 to 1,257.7, the industrial index 2.10 to 1,237.46.

PARKS was in good heart on the first day of the new account and the CAC-40 index advanced 38.99 or 2 per cent to 1,873.57, a week's rise of 0.7 per cent. Turnover was FFr3bn.

Saita, the tobacco company, fell FFr2 to FFr180 as investors took profits following confirmation of its acquisition of a

A s 1995 ends, political developments continue to sway European equity markets.

Will the French government continue to hold out for fiscal tightness, or will renewed public sector strikes force a retreat?

When will there be new elections in Italy, and will they lead to a stable government?

Will the Franco-German partnership develop into the hard core of monetary union?

Will political change in Russia influence Western European markets?

The French market is down by 6.8 per cent since mid-May, when election hopes began to turn sour, while the FTSE & P Europe index has risen by 5.4 per cent; similarly, in Italy the index has fallen by 15.3 per cent since mid-February, when the Dini government first ran into budget difficulties, while the European index is up 9.6 per cent over the same period.

In most countries the concern is not whether a particular government has a left-wing or right-wing policy. Mainstream parties of both left and right agree on the overriding

## EUROPE

AMSTERDAM AEX falls just short of its all time high

In a useful pre-Christmas rally for hours, AMSTERDAM just fell short of its all-time record high of 483.77 in a shortened, pre-holiday session. The AEX index finished up 1.16 at 481.52, up 0.8 per cent on the week.

Hunter Douglas rose FFr2.00 to FFr21.50 after saying that it would sell its 3 per cent stake in an Australian aluminium smelter.

Van Ommen rose 80 cents to FFr12.30 after the group said that it would sell its 2 per cent stake, valued at FFr1m, in Fiat of Italy next year.

Bouygues climbed FFr6.80 to FFr48.40 as investors ignored the fact that the company chairman, Mr Martin Bouygues, had been placed formally under judicial investigation. Elsewhere in the construction sector Lafarge rose FFr16.30 to FFr18.10 and Schneider FFr2.90 to FFr17.90.

The retail sector was higher

in most countries the concern is not whether a particular government has a left-wing or right-wing policy. Mainstream parties of both left and right agree on the overriding

need to cut budget deficits in the many countries where they remain unacceptably high after two or even three years of economic recovery. The political problem is rather that governments may be unable to put their good intentions into practice, either because of pressure from unions and public demonstrations, or because they cannot rely on a solid majority in parliament. Weak economic growth and continued high unemployment add to the pressures, while the Maastricht Treaty criteria are a prop only to those few countries confident of being able to meet them.

In France, the president, Mr Jacques Chirac, owed his election in May to a campaign which transcended awkward political choices. After a period of euphoria, markets lost ground as his government hung on to the strong franc without putting through the big cuts in the budget deficit which would enable interest rates to come down. In late October the president decided to bet unambiguously on economic rigour and Alain Juppé, his prime minister, published details subsequently of a plan

and the air traffic controllers by taking on their unions in isolation. Relatedly, he has made concessions to the transport unions, ending the massive public sector strikes. Union pressure is now being directed against the proposed cuts in the social security deficit. The markets would penalise any serious government

to bring the social security budget into surplus in 1997. It also launched attacks on public sector pension privatisations and the railways deficit, multiplying his enemies and suggesting that he had failed to learn from the tactics of Mrs Thatcher and President Reagan, who defeated the miners

backsliding, and Mr Juppé is likely to keep his nerve in order to allow interest rates to fall further. Tensions should relax in 1996, but the majority of French people remain uneasy at the social costs of moving to liberalism. Politics in France will remain interesting.

1996 POLITICAL CALENDAR

March 7 Spain Parliamentary election

March 24 Germany Federal election in Saarland-Württemberg, Schleswig-Holstein and Rhineland-Palatinate

May 21 Cyprus Parliamentary election

May Czech Rep Parliamentary election

June 16 Russia Presidential election

Autumn Romania Presidential, parliamentary elections

Oct 5 Israel Presidential and congressional elections

Nov 5 US Presidential and congressional elections

timetable if the economies recover sufficiently, or setting an alternative timetable if they do not.

For Italy, next year could bring political advance. In 1995 the supposedly non-political government of Mr Lamberto Dini has pressed on successfully with fiscal reform, and it is likely to secure passage of the 1996 budget on time. Mr Dini is not, however, in a position to bring about the political reform for which the bigger parties are calling. Early elections are opposed by the smaller parties, but are likely by the summer. The question for the markets is whether they will lead to a stable majority government (left-centre or right-centre) both would continue to cut the budget deficit, or whether maverick parties like the quasi-separatists Northern League or the extreme left Rifondazione Comunista will be able to block decisions.

As the table shows, the main elections in Western Europe in 1996 will be in Spain. Prime Minister González has agreed to hold them in March, and still has enough parliamentary support to avoid an earlier

date. The right-wing opposition Popular Party (PP) is confident of winning, and even if it fails to secure an absolute majority it should be able to arrange for support from the Catalan CiU in exchange for less emphasis on centralism. The PP's economic policy will not differ fundamentally from that of the present government, but a change will help sentiment after years of festered scandals. The only problem for investors is to judge how much of the election result is already discounted by the market.

Other political problems could emerge. In Germany the FDP could be panicked by bad results in the March Land elections into leaving the coalition, in which case the Chancellor, Mr Helmut Kohl, may be tempted into early elections. Further east, the Czech government is likely to emerge unimpaired from parliamentary elections, but the Russian presidential election in June may cast a darkening shadow westwards.

James Cornish is a European strategist at NatWest Securities, in London.

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

Written and edited by William Cochrane and John Pitt

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

Written and edited by William Cochrane and John Pitt

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

tion data. The Comit index rose 6.71 to 383.38 for a week's gain of 0.5 per cent.

VIENNA lost early momentum. Lenzing, the fibre maker, hit a session high of Sch919 before profit-taking left it at the close with a loss of Sch41 at Sch946. The ATX index rose 1.81 to 94.70.

ISTANBUL rallied 2.2 per cent ahead of tomorrow's general election. The composite index rose 901.15 to 4,223.55, to bring its gain on the week to 6.5 per cent. WARSAW rose in low turnover as investors generally ignored the political turmoil that had been caused by allegations that the prime minister had worked for foreign intelligence. The Wig index rose 5.68 to 1,728.67.

MILAN had two pieces of good news: the approval by the lower house of the 1996 budget and better-than-expected infla-

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.  
Details relate to those securities not included in the FT Share Information Service.  
Unless otherwise indicated, prices are in pence. The prices are those at which the business was done in the 24 hours up to 5 pm on Thursday and settled through the Stock Exchange Telleman system, they are not in order of execution but in ascending order which denotes the day's highest and lowest dealing.  
For those securities in which no business was recorded in Thursday's Official List the latest recorded business in the four previous days is given with the relevant date.  
‡ Bargains at special prices. ♦ Bargains done the previous day.

#### British Funds, etc

Treasury 153.4% Ds 2000/03 - £126.4% 120% 12/2002 (190495)  
Corporation and County Stocks

London County 5.1% Cons Stk 18/09/ after - 228.4% (190495)  
Leeds City 6.1% Red Stk 2006 - £134.4% (190495)  
Leeds Corp 5.1% Ds Stk 19/27/01 after - £20.4% (190495)  
Manchester Corp 6.1% Red Stk 2007 - £121 (190495)  
Scottish Corp 6.1% Ds Stk 20/27/51 - 22.4% (190495)

UK Public Boards

CyberLink Ds 2% Ind Stk - 330.4% (200495)

CyberLink Ds 4% Ind Stk - 34.4% (200495)

Foreign Stocks, Bonds, etc (coupons payable in London)

Rio Tinto plc 10% Ds of £100k Pk Stg Lit - 192.7% (190495)

Abbey National Sterling Capital PLC 4% Subord Gds Stds 2002 (Br Var) - £103.65 (190495)

Abbey National Sterling Capital PLC 10% Subord Gds Stds 2002 (Br Var) - £20.4% (190495)

Abbey National Treasury Service PLC 8% Gds Stds 2002 (Br Var) - £120.25 (190495)

ASDA Group PLC 5% Ind Stk - 220.4% (190495)

B.A.T. International Treasury PLC 5% Ind Stk - 220.4% (190495)

B.C.G. Group PLC 6.1% Inds 2004/Br Var - 32.2% (190495)

Billiton PLC 5.1% Inds 2005/Und Subord - 100% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4% (190495)

British American Tobacco PLC 6% Ind Stk - 220.4%



## LONDON SHARE SERVICE

## BANKS, MERCHANT

ABN Amro	100.00

## BANKS, RETAIL

ABN Amro	100.00

## BREWERIES

ABN Amro	100.00

## BUILDING &amp; CONSTRUCTION

ABN Amro	100.00

## DIVERSIFIED INDUSTRIALS

ABN Amro	100.00

## BUILDING MATS. &amp; MERCHANTS

ABN Amro	100.00

## CHEMICALS

ABN Amro	100.00

## CHEMICALS - Cont.

ABN Amro	100.00

## ELECTRONIC &amp; ELECTRICAL EQPT - Cont.

ABN Amro	100.00

## EXTRACTIVE INDUSTRIES - Cont.

ABN Amro	100.00

## INSURANCE - Cont.

ABN Amro	100.00

## INVESTMENT TRUSTS - Cont.

ABN Amro	100.00

## DISTRIBUTORS

ABN Amro	100.00

## ENGINEERING

ABN Amro	100.00

## FOOD PRODUCERS

ABN Amro	100.00

## INVESTMENT TRUSTS

ABN Amro	100.00

## GAS DISTRIBUTION

ABN Amro	100.00

## HEALTH CARE

ABN Amro	100.00

## EXTRACTIVE INDUSTRIES

ABN Amro	100.00

## HOUSEHOLD GOODS

ABN Amro	100.00


</



